

ASX RELEASE
2 FEBRUARY 2026

NME divests Arika Joint Venture interest

Nex Metals Explorations Ltd (ASX:NME) (**NME** or the **Company**), a gold project explorer and developer, is pleased to advise that it has agreed with Arika Resources Limited (ASX:ARI, **Arika**) to divest its 20% interest in the Yundamindra and Kookynie Gold Projects, which is currently held in a joint venture (the **Arika JV**) on terms the Company considers to be value-accretive for its shareholders.

Highlights:

- **Raising \$2.5 million (before funding contributions), and a further ~\$1.9 – 2.3 million in Arika shares** following divestment of 20% interest in Arika JV
- **Net receipts will fund further development of Kookynie Tailings Project** as well as exploration across our other Gold exploration assets in Western Australia
- **Additional prospective Gold project acquisitions being considered** across the Western Australian Goldfields as well as pursuing opportunities in Egypt's Eastern Desert – one of the most under-explored prospective mining districts
- **Completion is conditional on shareholder approval**, amongst other completion conditions

Commenting on today's announcement, Managing Director Ken Allen, said:

"Today's agreement with Arika is a value-accretive outcome for NME shareholders, allowing us to realise the value of the Yundamindra and Kookynie Gold Projects at a time when market interest in Gold is significant.

"With the transaction including a significant shareholding in Arika, we will continue to share in further upside as Arika advances these projects. Recent exploration has yielded excellent results which we hope to see continue.

"Our strategic focus as a Company continues to be exploration, project development, and production of Gold. We retain our 100% interest in the Kookynie Tailings Project – which is advancing towards production under MOU with the Wangkatja Tjungula Aboriginal Corporation – as well as a suite of exploration projects in Western Australia.

"We also continue to evaluate opportunities in Egypt's Eastern Desert, one of the most under-explored prospective mining districts, where we are finalising a foothold Gold project with currently producing North Henai concession, and other opportunities in Western Australia."

Attractive transaction structure for NME shareholders

In consideration for the sale of NME's 20% interest in the Arika JV, the Company will receive:

- \$2.5 million in cash (before funding contributions);
- 58,823,529 ASX:ARI shares; and
- 12,000,000 ASX:ARI shares on a deferred basis, payable upon the earlier of five years from completion or Arika's achievement of certain exploration milestones.

The Arika JV has been accruing cash contributions owed by NME without issuing a cash call. These amounts exceed \$2 million at present. NME and Arika have agreed that these amounts will be repaid, capped at \$2 million, from the proceeds of the sale, such that NME will receive no less than net \$0.5 million in cash from the divestment as well as the ASX:ARI shares. Following such repayment, NME will have no further financial obligations to Arika or the JV. ASX:ARI shares last closed at \$0.032 per share, providing an indicative realisable value of the ASX:ARI shares the Company will receive at \$1.9 million plus \$0.4 million in deferred consideration valued at the current share price.

NME shareholders will remain exposed to the potential upside of the Yundamindra and Kookynie Gold Projects as Arika advances its exploration activities at the project through the Company's substantial shareholding in Arika (~5% of Arika based on current ASX:ARI on issue, before the deferred consideration shares).

Completion of the transaction is subject to customary completion conditions, including shareholder approval from the shareholders of each company, the execution of formal agreements, and any required regulatory approvals or waivers. Upon completion, all existing joint venture agreements will be terminated. Further details on the terms of the agreement are summarised in Annexure A.

Funds applied towards Kookynie Tailings Project and Gold exploration

The Company will apply funds raised from the divestment towards advancing the Kookynie Tailings Project. NME expects to provide a further update shortly on the proposed activities at this project, with a development schedule set for 2026 including metallurgical test work and ongoing evaluation of processing options. The Company is evaluating an opportunity to establish its own processing capability without significant capital outlay relying on an updated process flow sheet based on earlier beneficiation workings, and equipment already owned by NME and its profit-share partner, the Wangkatja Tjungula Aboriginal Corporation.

NME also continues to advance due diligence and other preliminary activities forming its Egypt Gold Strategy – targeting Egypt's Eastern Desert, one of the most under-explored prospective mining districts – including the North Henai concession, where there is an opportunity to bring capital-light process improvements to existing small-scale Gold production on site.

Shareholder approval required

NME considers its main activity and strategic focus to be Gold exploration, project development, and production. The Company has a long history of owning and developing Gold projects and has previously produced Gold at scale.

ASX has determined that the disposal by NME of its interest in the Arika JV will constitute a disposal of its 'main undertaking' (as that term is defined in the ASX Listing Rules). Shareholder approval will accordingly be required from NME shareholders to complete the transaction pursuant to ASX Listing Rule 11.2. A consequence of this determination by ASX is that the Company will have six months from executing binding formal agreements with Arika to demonstrate to ASX that its level of operations is sufficient, and its financial condition adequate, to warrant continued quotation on ASX. Should the Company not demonstrate such operations and financial condition to ASX's satisfaction, ASX will suspend trading in the Company's securities at that time.

The Company remains highly confident in its ability to meet these conditions in the context of its broader portfolio of projects and activities, and considering that its current and proposed activities will remain focused on Gold exploration, project development, and production, consistent with its historical activities.

It is possible that future acquisitions by the Company may require the Company to complete Chapters 1 and 2 recompliance with ASX. The Company will manage this risk through ongoing engagement with ASX, where appropriate, as to any future acquisitions. Further guidance from ASX as to these matters is set out in its ASX Guidance Note 12.

The Company sets out below an indicative timetable for completion of the transaction:

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| Announcement of Binding Term Sheet | Monday, 2 February 2026 |
| Finalisation of Binding Formal Documents with Arika | Monday, 16 February 2026 |
| Notice of Extraordinary General Meeting (EGM) dispatched to Shareholders of NME | Monday, 23 February 2026 |
| EGM held (NME to be placed in trading halt from market open until release of EGM results on this day) | Friday, 27 March 2026 |
| Completion of Divestment | Upon meeting of conditions precedent targeted within weeks of EGM approval |

This timeline is indicative and subject to change without further notice. The Company will provide updates as the matter progresses. The Company also notes that there are various conditions for completion which are outside NME's control.

- ENDS -

ASX release authorised by the Managing Director, Kenneth Allen.

For further information, please contact:

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| Nex Metals Explorations Ltd | Reign Advisory |
| p: +61 8 9221 6813 | p: +61 2 9174 5388 |
| e: admin@nexmetals.com | e: nme@reignadvisory.com |

About Nex Metals Explorations Limited (ASX:NME)

NME aims to be a cash-generative gold-producing entity with a capital-light strategy. NME's project portfolio comprises the Kookynie Gold Tailings Project and various gold-prospective exploration projects in Western Australia. The Company also has an interest in the Kookynie and Yundamindra Gold Projects under joint venture with Arika Resources Limited (ASX:ARI) which the Company proposes to realise (subject to shareholder approval). NME has also announced its proposed strategic entry into Egypt's Eastern Desert, one of the most under-explored prospective mining districts in the world.

Forward Looking Statements

This announcement includes forward-looking statements based on the Company's current expectations, estimates and assumptions as at the date of this announcement. Words such as "expect", "anticipate", "intend", "plan", "estimate", "target", "believe", "may" and "could", and similar expressions, are intended to identify such statements.

Forward-looking statements relate to matters including funding needs and timing, exploration and development plans and costs, approvals and permitting, availability of labour and equipment, operational performance, market conditions (including commodity prices and exchange rates), changes to laws and regulations, and the results and interpretation of exploration activities. These statements involve risks and uncertainties, many outside the Company's control, that may cause actual results to differ materially from those expressed or implied.

No representation or warranty is given as to the accuracy, completeness or likelihood of achievement of any forward-looking statement. Except as required by the Corporations Act, the ASX Listing Rules or other applicable law, the Company undertakes no obligation to update or revise forward-looking statements. Prospective investors should not place undue reliance on them.

Important Notice – Regulatory Authorities

No securities exchange, regulation services provider, securities commission or other regulatory authority has approved or disapproved the information contained in this announcement, irrespective of its release or disclosure on a public platform.

Important Notice - Previous Announcements

The Company confirms that it is not aware of any new information or data that materially affects the information included in the previous market announcements noted above and or in the footnotes and that all material assumptions and any technical parameters underpinning those previous market announcements continue to apply and have not materially changed.

Annexure – Material Terms of Binding Term Sheet

| | |
|----------------------------------|---|
| Parties | Nex Metals Explorations Limited and various relevant subsidiary entities (NME) Arika Resources Limited and various relevant subsidiary entities (ARI) |
| Sale | NME has agreed to sell its interest in the Joint Venture (including its 20% share in the tenements forming the Kookynie and Yundamindra Gold Projects and corresponding mining information. |
| Consideration | ARI will pay to NME at completion <ul style="list-style-type: none"> • \$2.5 million in cash; • 58,823,529 fully paid ordinary shares in ARI ARI will also pay 12,000,000 deferred consideration shares on the earlier of five years from completion or achievement of specific milestone, which are: <ul style="list-style-type: none"> • in respect of 6 million shares: upon confirmation in an ASX release of an indicated gold resource of 250,000 oz (JORC 2012, 0.5 g/t cut-off); and • in respect of 6 million shares: upon confirmation in an ASX release of an indicated gold resource of 500,000 oz (JORC 2012, 0.5 g/t cut-off) |
| Set off against JV contributions | The Joint Venture has accrued, without issuing a cash call, amounts payable by NME to the Joint Venture for its 20% share of expenses exceeding \$2 million. NME and ARI have agreed that up to \$2 million of the \$2.5 million cash consideration will be applied towards repayment of the outstanding amounts in full satisfaction of all amounts owed – such that NME will receive no less than \$0.5 million net cash from the cash component of the sale proceeds. |
| Voluntary Escrow | NME has agreed to voluntary escrow of up to 12 months from completion on the shares issued to NME with 25% released every 3 months over that 12 month period. |
| Tailings | NME and ARI acknowledge that this transaction does not affect the existing agreement between the parties pursuant to which NME owns the Kookynie Gold Tailings Project. NME commits to take all reasonable steps actions required to move, dispose of or otherwise deal with the tailings within six years from completion. |
| Formal agreements | The transaction remains subject to execution of formal agreements and various conditions precedent that the Company considers ordinary and customary for agreements of this nature – for example including shareholder approval from each of NME and ARI, regulatory approval including from ASX in relation to the deferred consideration shares, and other customary matters. |