



Q3
25

**KRAKATOA**
RESOURCES LTD.

QUARTERLY ACTIVITIES REPORT
September 2025



ASX Code
KTA

Capital Structure
968,134,025 Fully Paid Shares
80,000,000 Performance Rights
99,000,000 Options

Directors
Colin Locke
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HIGHLIGHTS FROM SEPTEMBER 2025 QUARTER

ZOPKHITO ANTIMONY-GOLD PROJECT

- Exploration advancing rapidly at the Zopkhito Antimony-Gold Project in Georgia, with Krakatoa's maiden 7,000-10,000m diamond drilling campaign underway
- The two-rig drilling program focused on areas where mineralised antimony and gold veins were encountered within the historical adit development used to establish Zopkhito's historical foreign resource estimate
- Drill core samples from first six holes dispatched to assay laboratory in Turkey, with first results expected in Q4 2025
- Underground core sampling commenced across accessible underground adits to obtain JORC-acceptable samples
- The exploration program will support converting and expanding the foreign resource estimate of **225Kt @ 11.6% Sb for a contained 26,000 tonnes of antimony and 7.1Mt @ 3.7g/t for 815,119oz of gold¹** into a JORC-compliant mineral resource estimate
- With approximately 90% of global antimony supply controlled by China, Zopkhito provides rare exposure to a critical mineral asset positioned to support EU and US supply chain diversification across energy storage, defence and advanced material sectors

MT CLERE RARE EARTHS PROJECT

- Application lodged over the Dingo Pass REE Prospect which adjoins KTA's Tower REE resource, part of the Mt Clere Project, expanding the rare earth prospect area significantly
- Once granted drilling and metallurgical test work will be undertaken to advance the project and establish a possible large scale low-cost REE operation
- Two-hole 1,000m diamond drill program completed at the Stone Tank Nb-REE Prospect partially funded through a \$220,000 EIS grant. Assay results expected in Q4 2025

CORPORATE

- Firm commitments to raise \$3.1 million via strongly supported two-tranche placement at \$0.0105 per share, with one attaching option for every two shares subscribed for, exercisable at \$0.02
- Cash on hand at end of quarter is \$1.753M prior to tranche two placement funds of \$1.1M subject to shareholder approval at general meeting on 31 October 2025.
- Belgravia Project divested subsequent to quarter end for \$350,000 cash, subject to completion

Krakatoa Resources Limited (**ASX: KTA**) (**Krakatoa** or **the Company**) is pleased to provide the following summary of activities for the three-month period to 30 September 2025, where the Company's activities were primarily focused on the Zopkhito Antimony-Gold Project in Georgia.

During the quarter, Krakatoa accelerated its exploration program at the Zopkhito Project, commencing both a maiden 7,000-10,000m diamond drilling campaign and an underground core sampling program. These activities are designed to convert and expand Zopkhito's historical foreign resources into a JORC-compliant mineral resource estimate (MRE) and to undertake a preliminary economic assessment on the mining licence.

¹ Cautionary statement: The foreign estimate and foreign exploration results in this announcement were first released by the Company in an announcement titled "Option to Acquire Major Antimony and Gold Project" on 9 December 2024 ("Announcement") and are not reported in accordance with the JORC Code 2012. A competent person has not done sufficient work to classify the foreign estimate as a Mineral Resource, or disclose the foreign exploration results, in accordance with the JORC Code 2012. It is uncertain that following evaluation and/or further exploration work the foreign estimate will be able to be reported in accordance with the JORC Code 2012, and it is possible that following further evaluation and/or exploration work that the confidence in the reported foreign exploration results may be reduced when reported under the JORC Code 2012. The Company confirms that the supporting information provided in the Announcement continues to apply and has not materially changed.

ZOPKHITO ANTIMONY-GOLD PROJECT

The Zopkhito Antimony-Gold Project covers an area of 1,779 hectares and is held under an exploration-mining licence until March 2042. As announced in December 2024, KTA holds an exclusive option to acquire up to an 80% legal and beneficial interest in the granted mining licence covering the Zopkhito Project.

Discovered in 1929, the Soviet Government explored Zopkhito until 1979, with additional exploration undertaken during 2006-2019. Historic exploration activity at the Project includes:

- 27km of underground adit exploration drives developed during the Soviet-era
- More than 15,000 geochemical samples taken mostly as channel samples
- Foreign resource estimates completed for gold and antimony
- LiDAR survey and IP geophysics completed

Zopkhito contains a foreign resource estimate of **225Kt @ 11.6% Sb for a contained 26,000 tonnes of antimony and 7.1Mt @ 3.7g/t for 815,119oz of gold¹**.

The Project is ~170km from Kutaisi (Georgia’s second biggest city) where rail infrastructure links to western ports (Poti and Batumi) on the Black Sea. The closest town is a village called Gebi approximately 20km from site.

In 2025, Krakatoa’s exploration strategy is to target areas between the historical adits where sampling demonstrated high-grade mineralisation. Drill testing of these areas aims to confirm mineralisation beyond the adits and clarify the extent of the gold alteration system, as well as the quartz-antimony vein development.

Target generation was modelled in Leapfrog by plotting assay results from historical adit samples collected during both the Soviet and the 2013-2014 periods. Historical Soviet sections showing the resource blocks were superimposed into the program to refine drill targeting. This process identified several priority areas, with proposed drill hole traces shown in Figures 1 to 3.

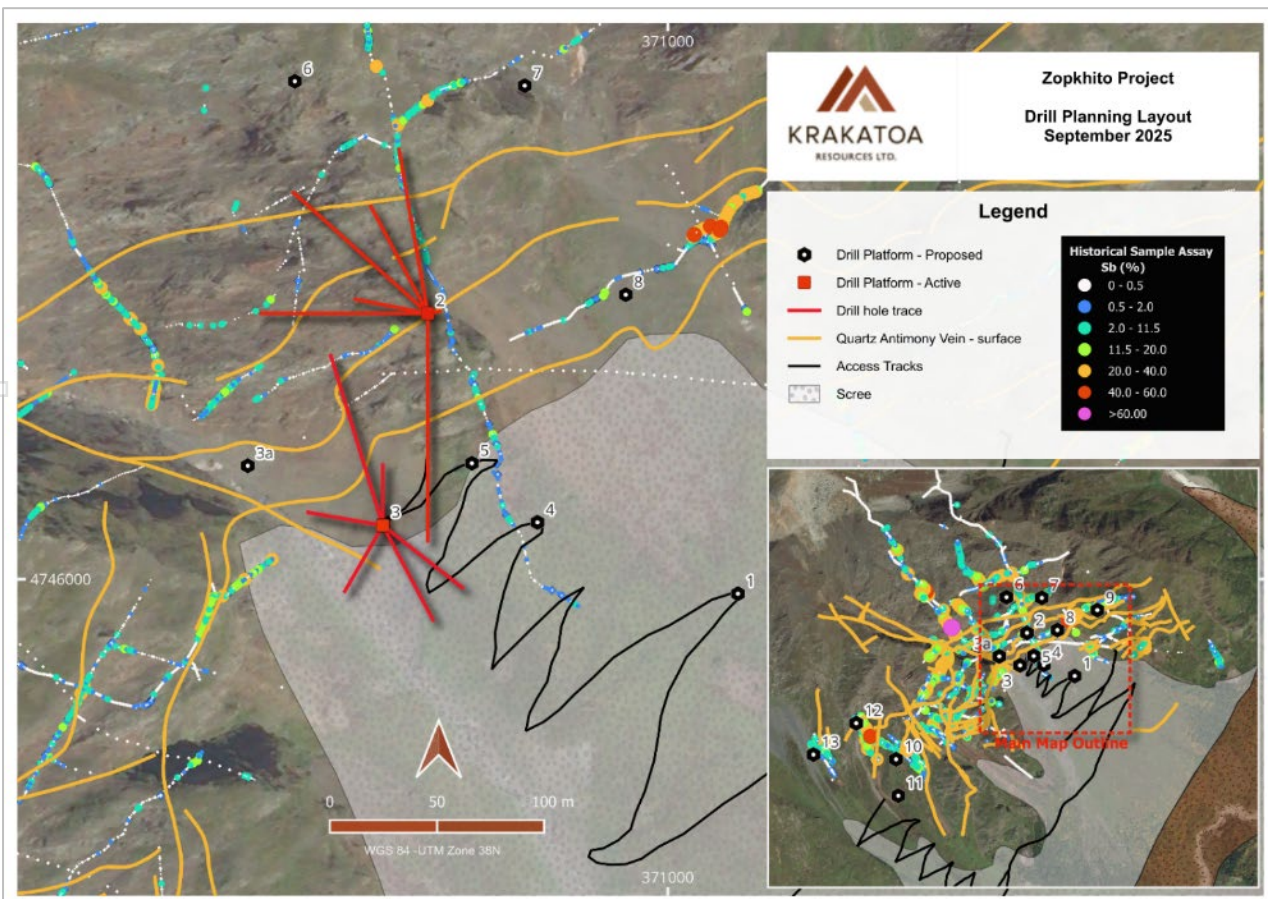


Figure 1 - Plan view of drill planning layout with proposed drill platform layouts and the current active platforms 2 and 3. Active platforms show proposed drill hole trace projections.

For personal use only

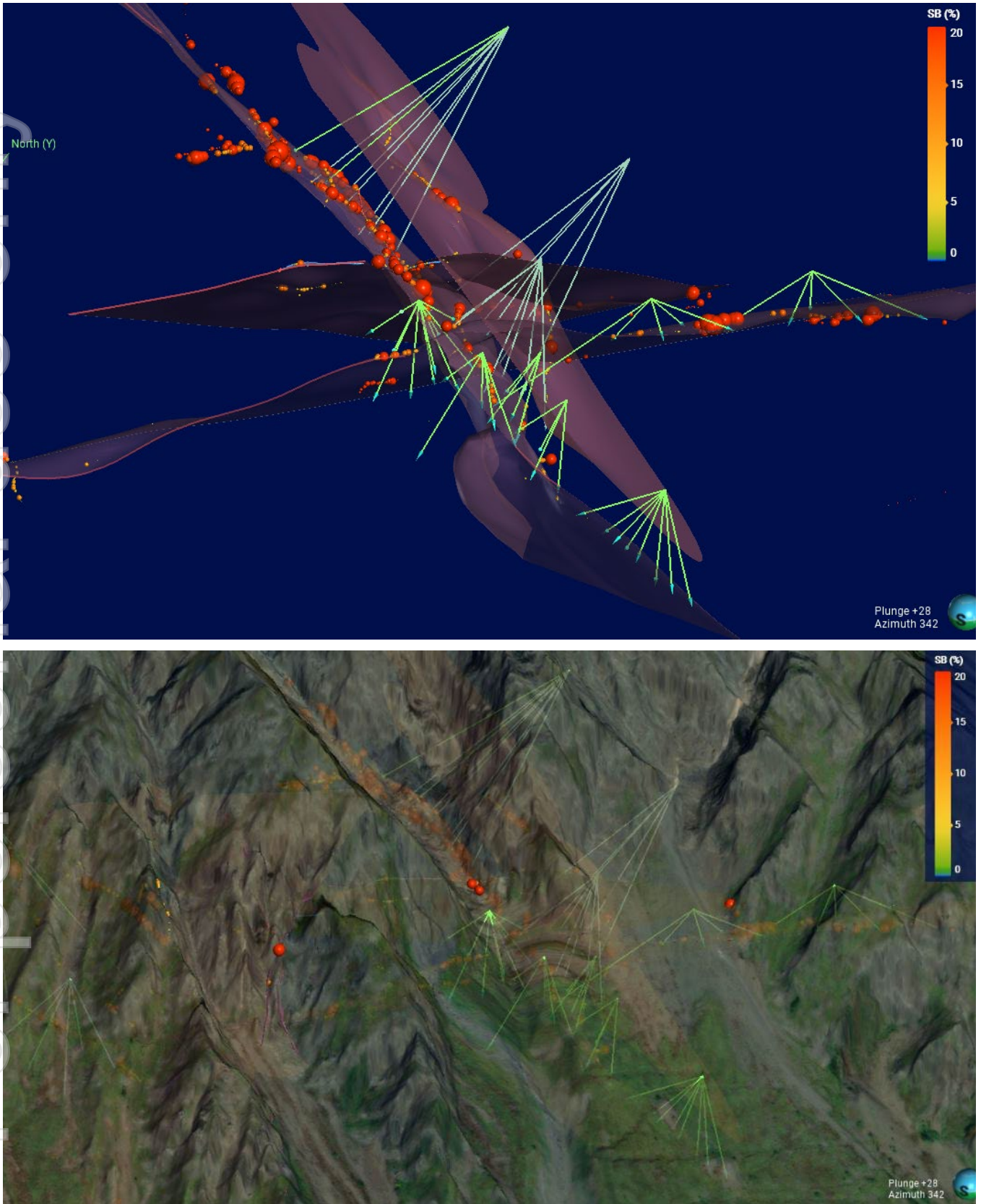


Figure 2 - Top: Front of view (looking north west) of the 4 main veins (transparent purple) showing the areas with high recorded antimony (bubbles of red to yellow- larger the bubble higher the grade) and proposed drill hole traces showing the targets zones for the maiden drilling campaign. Bottom: Same as above with topography overlay.

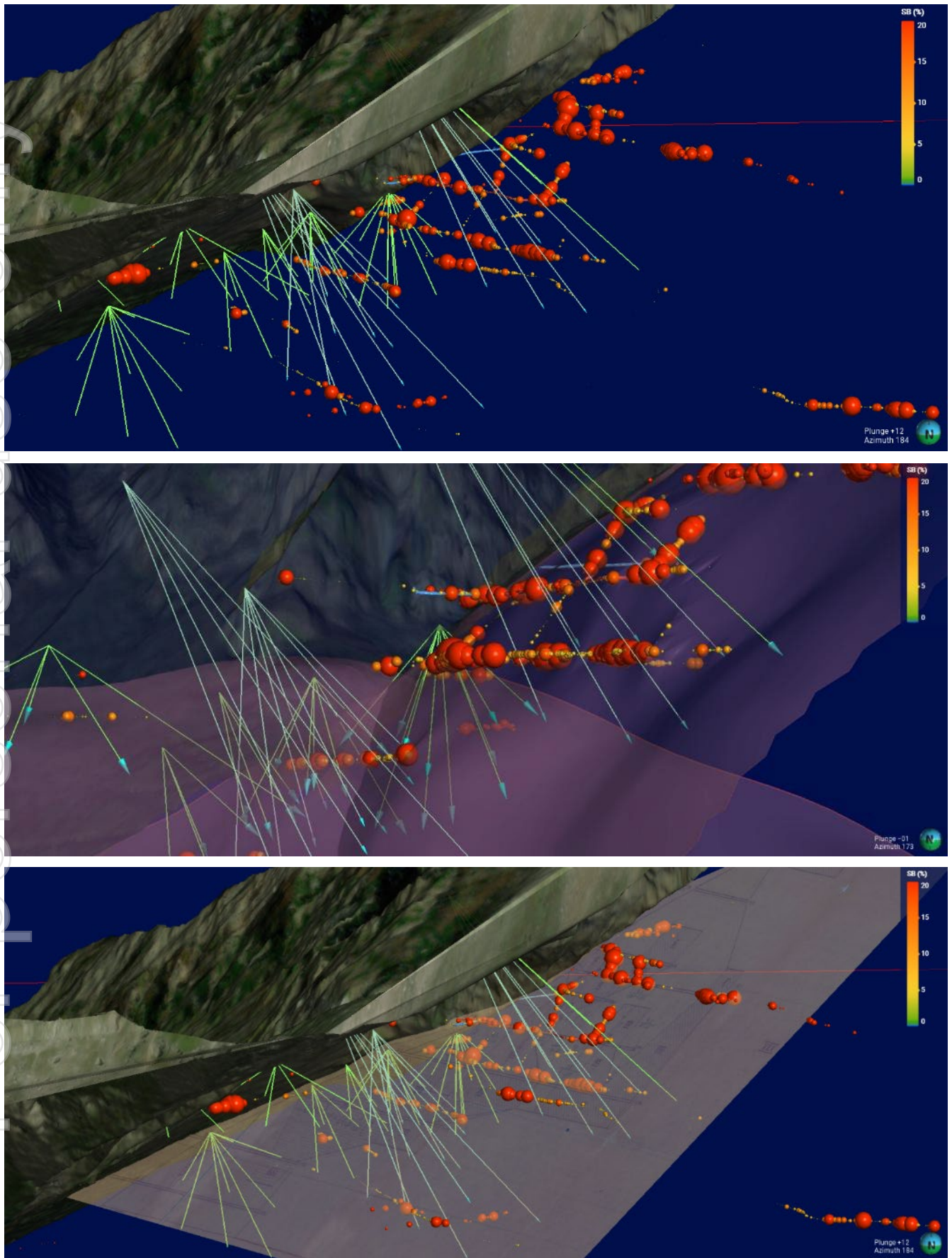


Figure 3 - Top: Looking towards the South through the deposits showing the adit areas with high recorded antimony (bubbles of red to yellow- larger the bubble higher the grade) and proposed drill hole traces showing the proposed targets zones for the maiden drilling campaign. Middle: same as Top with Vein 2 and Vein 6 shown closer up; Bottom: with Soviet block model image (superimposed) of Vein 2 and the proposed drill hole traces and targets zones.

Krakatoa is committed to:

- Converting and expanding the foreign resource estimate into a JORC-compliant mineral resource estimate
- Undertake a preliminary economic assessment for Zopkhito mining licence.

In September, Krakatoa commenced a 7,000-10,000m maiden diamond drilling program at the Zopkhito Project, starting with one drill rig before a second rig was mobilising later in the month, ramping up operations.

The drilling has focused on the areas where mineralised antimony and gold veins were encountered within the historical adit development used to establish the foreign resource estimate. The two diamond drill rigs have been operating 24 hours a day, systematically testing the geological model and the mineralised corridor between the historical adits. Operating both rigs in tandem has accelerated progress, with core logging and sampling advancing steadily. The initial six holes have been logged, with samples dispatched to the assay laboratory in Turkey.



Photograph 1 - Man portable diamond drill rig being prepared for drilling on platform 2

Adit Core Sampling

In October, Krakatoa commenced underground core sampling in Adit 80 following preparatory survey and geological mapping. The program is designed to obtain JORC-acceptable samples across the exposed No. 6 antimony vein and surrounding gold-bearing alteration zones, targeting both the main stibnite-rich vein and the associated footwall and hanging-wall alteration halos. The samples will be used to validate historical results and improve understanding of grade distribution within the broader mineralised system.

Portable coring systems have been collecting samples up to five metres into the wall rock. Historical channel samples from Adit 80 returned up to 47.9% antimony, including 22.6% antimony and 3.23 g/t gold over 70cm from channel sample 2010_V-6_A80_2014 (refer ASX Announcement 13 February 2025).



Photograph 2 and 3: (Left) Exposed antimony rich vein on adit 80 wall near the 2014 channel sample #2010_V-6_A80_2014 which returned 22.6% Sb and 3.23g/t Au from the 70cm channel. (Right) Krakatoa geological team inspecting the adit and channel sample #2010_V-6_A80_2014 cut.

This underground program provides essential geological confirmation of both the 2014 sampling work and earlier Soviet-era exploration. All data will be integrated into a modern JORC-compliant framework to support systematic resource definition. Mapping and sampling have confirmed multiple continuous stibnite-rich quartz veins with strong structural continuity extending beyond previously developed adits and remaining open along strike and at depth, highlighting significant resource growth potential.

Program Objectives and Current Focus

The underground core sampling and drilling programs have been designed using advanced 3D geological modelling software to integrate historical datasets with modern mapping and assay results. Program priorities include:

- Confirming historical high-grade results within and between adits.
- Expanding drilling coverage to define the geometry and extent of quartz-antimony vein systems and associated gold zones.
- Providing sufficient data to establish a maiden JORC-compliant Mineral Resource.
- Building a foundation for future resource growth across the broader Zopkhito licence area.

The combination of dual-rig drilling and adit core sampling continues to accelerate field progress, positioning Krakatoa for a steady stream of operational updates and analytical results through late 2025.

Strategic Importance of Zopkhito

Antimony is recognised as a critical mineral by both the European Union and the United States due to its importance in energy storage, advanced materials, and defence applications. With 90% of global supply currently controlled by China, demand for secure, Western-aligned sources continues to intensify.

Zopkhito's location within Europe's critical minerals corridor positions it as one of the few emerging antimony and gold projects with direct exposure to European markets. The project benefits from Georgia's established mining framework, developed infrastructure, and free-trade agreements with the EU and other key trading partners.

By combining strong geological foundations with clear strategic relevance, Zopkhito offers a rare opportunity for Krakatoa to contribute to Europe's transition toward secure, diversified critical mineral supply chains.

About Georgia

Georgia is an investor-friendly nation strategically positioned as a trade gateway between Europe and Asia. With a population of 3.7 million, the country has achieved remarkable economic milestones.

In 2023, Georgia's GDP stood at US\$30.5 billion, with a GDP per capita of US\$8,210. The country demonstrated an average annual real GDP growth of 5.2% from 2012 to 2023, with a robust 7.5% growth rate in 2023 despite global economic challenges.

Georgia's commitment to economic openness is reflected in its position as:

- **#7** globally for ease of doing business and protecting minority investors
- **#2** globally in starting a business
- **#12** globally in enforcing contracts
- **#1** globally in budget transparency²

Georgia provides duty-free access to a market of approximately 2.8 billion people through its network of free trade agreements (**FTAs**) and preferential trade regimes.

Key agreements include:

- The Deep and Comprehensive Free Trade Agreement (DCFTA) with the EU.
- FTAs with China, Turkey, CIS countries, EFTA nations, and Hong Kong.
- GSP agreements with the USA, Canada, and Japan.
- Negotiations for FTAs with India and Israel are also underway.

With a simple and service-oriented customs policy, about 80% of goods imported into Georgia are exempt from tariffs, supporting its role as a regional trade hub.



MT CLERE RARE EARTHS PROJECT

During the quarter, Krakatoa announced the completion of a two-hole, 1,000m diamond drilling program at the Stone Tank Prospect and lodged a tenement application over the Dingo Pass REE prospect which adjoins the Company's Tower REE mineral resource. The project is located within the Company's 100%-owned Mt Clere Project in Western Australia. Mt Clere is located on the north-western margins of the Yilgarn Craton.

Strategic REE Land Ownership Expansion under Application

The Company announced that it had applied for Exploration Licence E52/4498 to expand the landholding east of the Tower REE clay-hosted resource within Mt Clere, an area discovered at Krakatoa's Tower deposit in 2021.

² <https://archive.doingbusiness.org/en/data/exploreeconomies/georgia>

Once granted, this additional land will extend the Tower deposit more than 9km to the east. This area was named Dingo Pass by the former permit holder. Krakatoa currently holds a JORC compliant clay hosted REE resource at Tower of **101Mt @ 801ppm TREO** (refer ASX announcement 21 November 2022) (Figure 4).

Data from recent exploration at Dingo Pass between 2020 to 2024 is presented in WAMEX (Western Australian Mineral Exploration) reports. Details from the WAMEX database shows 100 aircore holes (for 2,973m) were drilled along five north-south traverses in 2022.

Interpretation of the 100 holes drilled revealed that 74 holes returned assays >500ppm TREO, including 31 holes returning intercepts >1000ppm TREO. Significant intercepts of > 500ppm TREO over 6m intervals are presented in Table 1 and shown in Figure 5. Assays of > 1000ppm TREO were intersected on all five drill lines with significant intersections presented in Figure 5.

In 2022, drilling confirmed that clay-hosted REE mineralisation extends for at least another 8km east from the boundary of the Tower REE deposit. The line immediately adjacent to the Tower deposit returned 1.6km length of continuous >1000ppm TREO mineralisation (Figure 6 and 7). This area expands the Tower mineralisation footprint by at least five times.

Once granted the Company intends to undertake additional drilling over the Dingo Pass area to convert the area into a JORC mineral resource. The Company will collect new bulk metallurgical samples from Tower and Dingo Pass areas to undertake additional metallurgical test work with the goal to establish a preferred process flowsheet and develop economical studies. Significant advances in the economics of processing clay hosted rare earths have advanced and low-cost options like heap leaching, use of nanofiltration and ion exchange process will be explored as a low cost processing solution for the production of a high-value magnetic rare earth product.

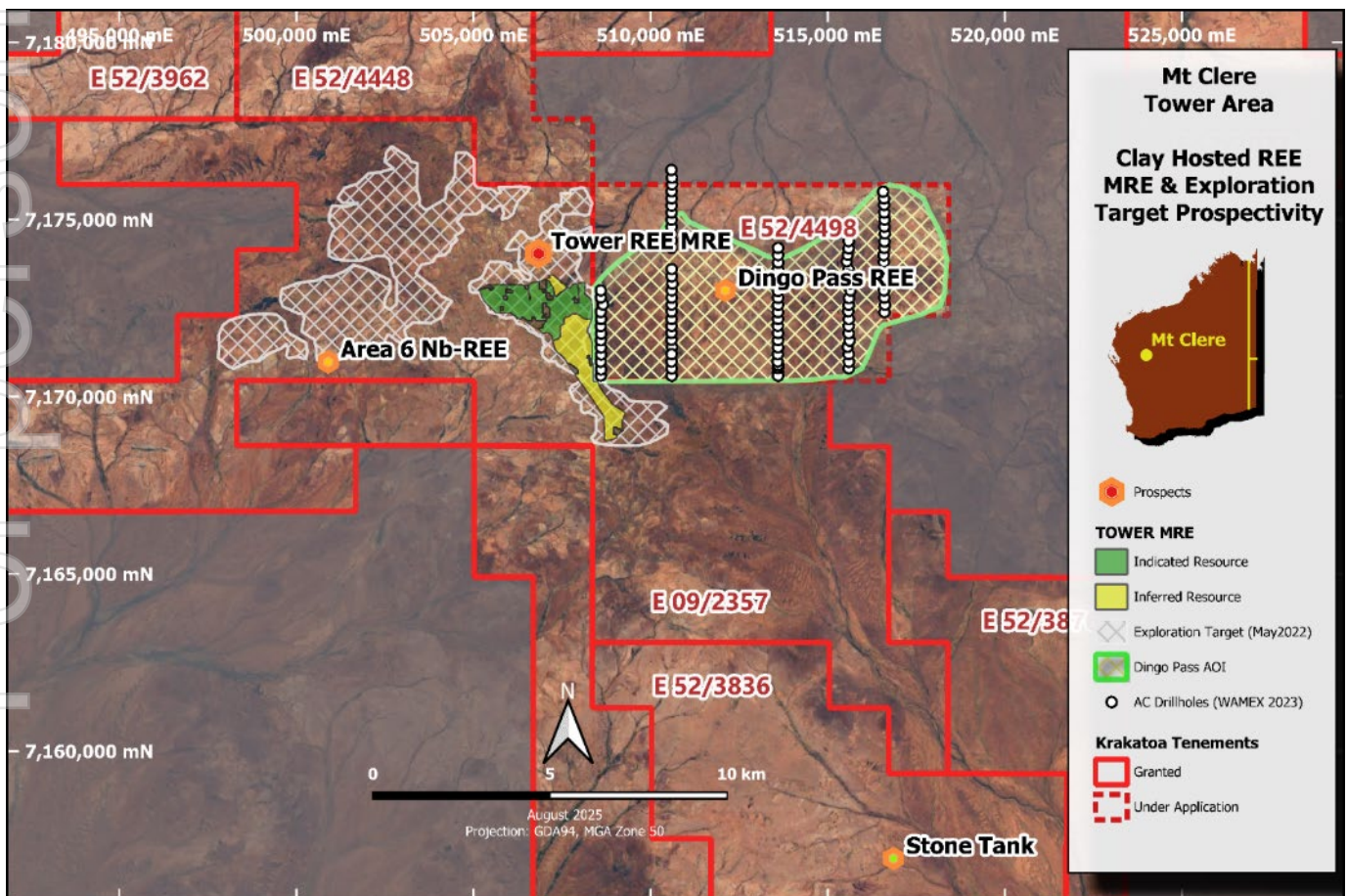


Figure 4 - Location of E52/4498 (under application) and the Tower deposit (Resource) showing the extensive size of the additional Dingo Pass prospect opportunity

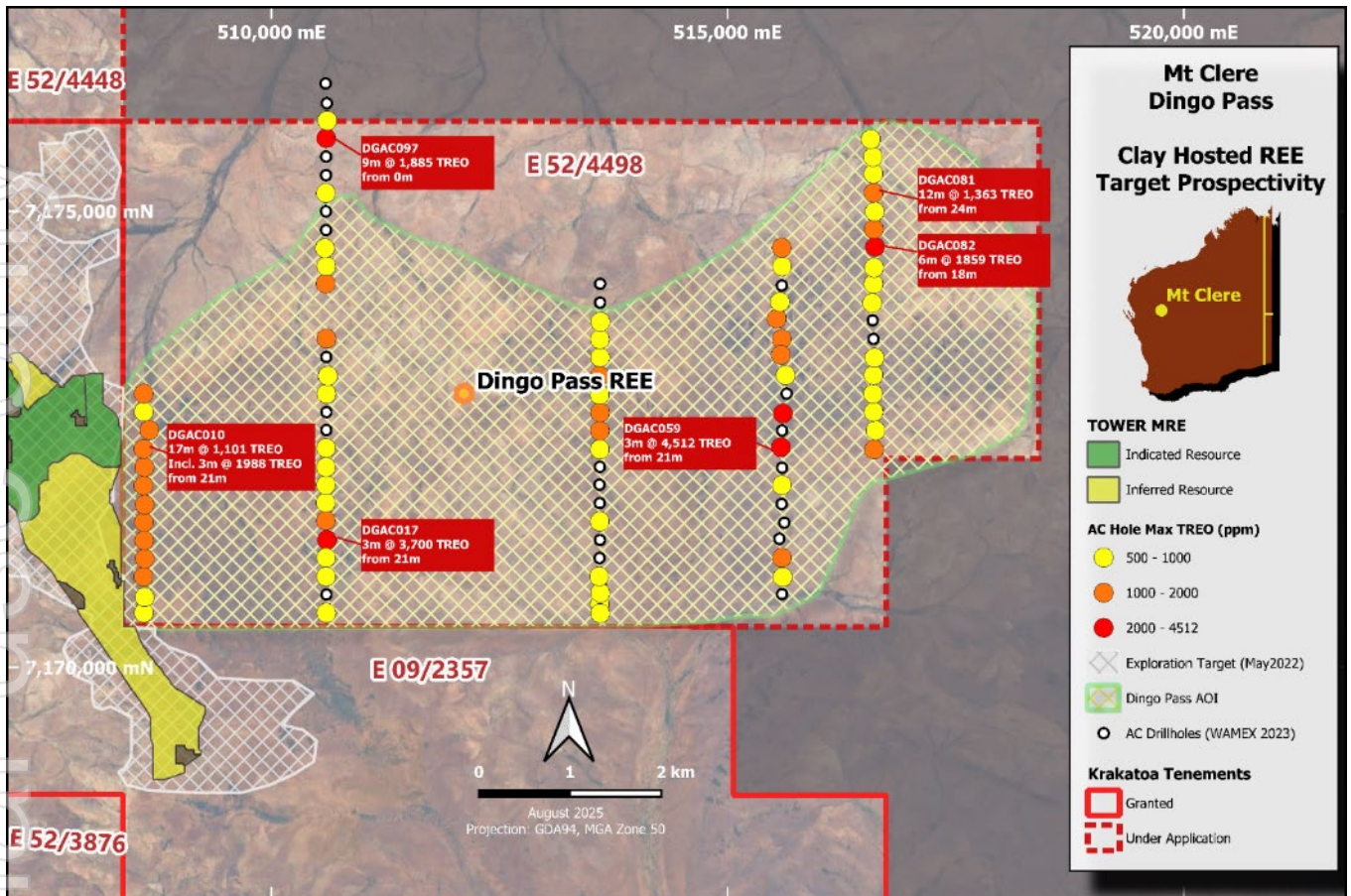


Figure 5 - Results of the 2022 Air-Core drilling showing maximum 3m composites of TREO assay result. Of the 100 holes drilled, 74 holes returned assays greater than 500ppm TREO including 31 holes returning intercepts >1000ppm TREO

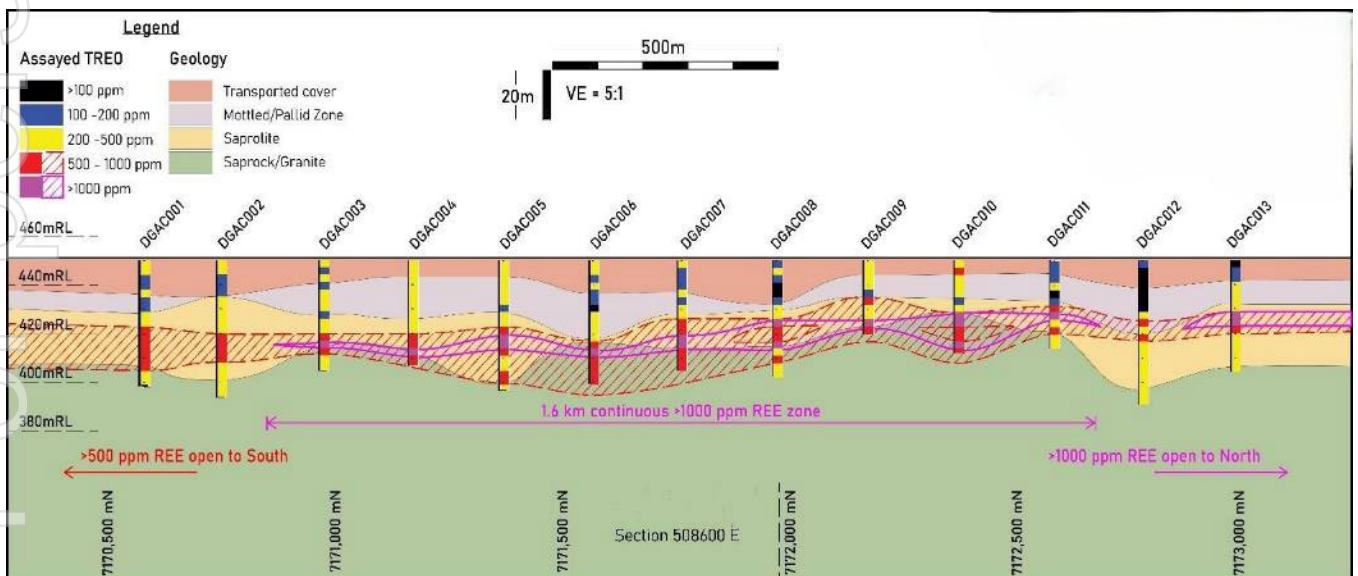


Figure 6 - Section 508600E situated along the boundary of E52/4498 and the Tower Deposit (within E09/2357). Mineralisation of intercepts >1000ppm TREO is continuous for over 1.6km and open to the north and south.

Table 1: Significant Intercepts of >500ppm TREO over 6m intervals at Dingo Pass

Hole ID	From (m)	Thickness (m)	TREO ppm	HREO ppm	MREO ppm
DGAC001	27	18	772	328	197
DGAC002	30	12	621	164	197
DGAC003	30	9	809	207	216
DGAC004	30	13	897	186	210
DGAC005	27	24	711	222	168
DGAC006	33	18	794	198	232
DGAC007	24	21	777	284	212
DGAC008	24	18	805	189	234
DGAC009	15	15	761	87	193
DGAC010	21	17	1101	258	250
DGAC011	18	12	687	164	200
DGAC012	24	9	518	102	154
DGAC013	21	9	888	127	273
DGAC014	3	15	570	54	145
DGAC016	24	11	761	84	191
DGAC017	18	7	2368	360	608
DGAC018	30	12	1024	333	298
DGAC019	36	9	826	254	279
DGAC022	0	11	716	232	195
DGAC028	21	17	837	135	219
DGAC029	33	6	937	140	106
DGAC029	48	8	705	175	187
DGAC036	0	7	694	98	184
DGAC043	15	15	656	194	177
DGAC044	30	9	522	112	146
DGAC045	27	21	550	93	168
DGAC053	0	21	684	147	135
DGAC057	0	12	684	71	196
DGAC058	21	12	976	210	348
DGAC059	21	6	2604	222	424
DGAC061	42	6	1432	409	512
DGAC063	18	6	549	86	137
DGAC064	30	18	714	135	157
DGAC065	30	6	1123	374	698
DGAC069	15	6	854	67	159
DGAC070	18	8	776	61	86
DGAC075	42	6	524	168	138
DGAC081	21	12	1363	350	317
DGAC082	15	9	1473	224	449
DGAC084	12	7	815	132	147
DGAC087	6	9	514	56	69
DGAC088	21	21	587	122	196
DGAC089	3	6	884	209	212
DGAC090	0	6	597	124	177
DGAC097	0	9	1885	122	385

EIS Drilling

Drilling focused on the Jagger and Richards Targets within the Stone Tank Nb-REE Prospect, where the Company has previously identified high-density gravity anomalies.

The Jagger and Richards gravity geophysical targets are believed to define the lateral extent of a possible carbonatite intrusive system. Both targets are interpreted as shallow potential intrusive bodies or alteration signatures associated with an intrusive system. The initial geological review showed that much of the geology encountered is silicious, with several zones’ alkaline mineralisation only evident in hole STD2502. Sulphide mineralisation has been recorded in both holes.

The drilling program at Stone Tank was partially funded through the \$220,000 grant Krakatoa received from the Western Australian Government as part of the States Exploration Incentive Scheme (EIS).

Assays have been submitted for analysis, with results expected in Q4 2025.

RAND PROJECT

No exploration work was conducted on the project during the last quarter

BELGRAVIA CU-AU PORPHYRY PROJECT

No exploration work was conducted on the project during the last quarter.

Subsequent to quarter end, the Company announced its wholly owned subsidiary, Krakatoa Australia Pty Ltd, entered into a binding tenement option and sale agreement with Agriculture Equity Investments Pty Ltd, an unrelated party, for the sale of the EL8153 (Belgravia Project), located in the Lachlan Fold Belt, NSW.

Under the terms of the agreement, Krakatoa has granted Agriculture Equity Investments Pty Ltd the option to acquire 100% of its legal and beneficial interest in the tenement EL8153, associated statutory rights, and technical data for total consideration of \$350,000, comprising:

- A non-refundable option fee of \$100,000 (excl GST) for an exclusive option period until 31 December 2025; and
- A further fee of \$250,000 (excl GST) upon exercise of the option.

Settlement is subject to completion of satisfactory due diligence and other customary closing conditions. Subject to settlement occurring, the Company intends to use funds raised from the sale on exploration at the Zopkhito Antimony-Gold Project in Georgia and general working capital.



TURON GOLD PROJECT

No exploration work was conducted on the Project during the last quarter.



KING TAMBA PROJECT

No exploration work was conducted on the Project during the last quarter.



CORPORATE

\$3.1 Million Placement to Advance Drilling at Zopkhito

In September, Krakatoa announced it had received firm commitments to raise \$3.1 million (before costs) via a two-tranche placement of 295,238,095 new fully paid ordinary shares at an issue price of \$0.0105 per New Share. Tranche One Placement Shares (190,000,000) were issued on 18 September 2025 with Tranche Two Placement Shares (105,238,095) subject to shareholder approval at general meeting on 31 October 2025.

Placement participants will also receive one free-attaching quoted option for every two New Shares subscribed for, exercisable at \$0.02 and expiring on 29 September 2028.

Proceeds from the Placement will be used for:

- Continuing the 7,000–10,000m maiden drilling program underway at the Zopkhito Project
- Additional in-adit drilling targeting high-grade antimony veins and gold alteration systems
- Conversion of the current foreign resource estimate into a JORC-compliant Mineral Resource
- Commencing preliminary works based on a Preliminary Economic Assessment on Zopkhito
- General corporate, administration and Placement costs.

As at the end of the quarter the Company has \$1.753M cash on hand.

The Company holds a \$109K drilling credit with Topdrill which can be used on further drilling exploration.

Exploration

ASX Listing Rule 5.3.1: Exploration and Evaluation Expenditure during the Quarter was \$1.549M. Exploration during the Quarter largely comprised of reconnaissance exploration, mapping, geochemical sampling, heritage and land access negotiations, target generation and preparation for future exploration programs - full details of activity during the Quarter are set out above.

ASX Listing Rule 5.3.2: There were no mining production and development activities during the Quarter.

Tenements held by the company, at the end of the quarter are presented in Appendix 1.

Related Party Payments

Pursuant to item 6 in the Company's Appendix 5B – Quarterly Cashflow Report for the Quarter ended 30 September 2024, the Company made payments of \$76k to related parties which relate to existing remuneration arrangements (director fees and superannuation).

Authorised for release by the Board.

Yours faithfully,



Colin Locke
Executive Chairman

Disclaimer

Forward-looking statements are statements that are not historical facts. Words such as "expect(s)", "feel(s)", "believe(s)", "will", "may", "anticipate(s)" and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company's prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.

Competent Person's Statement

The information in this announcement is based on, and fairly represents information compiled by Mark Major, Krakatoa Resources CEO, who is a Member of the Australasian Institute of Mining and Metallurgy and a full-time employee of Krakatoa Resources. Mr Major has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he has undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Major consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

ASX Announcements released during the Quarter and Post Quarter

Date	Headline
28 October 2025	Letter to Shareholders – Upcoming AGM
28 October 2025	Notice of Annual General Meeting/Proxy Form
27 October 2025	Sale of Belgravia Project
21 October 2025	Drone survey opens new Sb-Au exploration areas at Zopkhito
7 October 2025	Exploration Advancing Rapidly at the Zopkhito Au-Sb Project
1 October 2025	Date of AGM and closing date for director nominations
1 October 2025	General Meeting - Letter to Shareholders
1 October 2025	Notice of General Meeting/Proxy Form
29 September 2025	Appendix 4G and Corporate Governance Statement
29 September 2025	Annual Report to shareholders
12 September 2025	\$3.1m Placement to Advance Drilling at Zopkhito Sb-Au
8 September 2025	Second Rig commences drilling - Zopkhito Sb-Au Project
4 September 2025	Mt Clere Exploration Update & Tenement Expansion
1 September 2025	Drilling commenced at Zopkhito Sb-Au Project
22 August 2025	Results of Meeting
23 July 2025	General Meeting - Letter to Shareholders
23 July 2025	Notice of General Meeting/Proxy Form
16 July 2025	Drilling imminent at Zopkhito Project
4 July 2025	Drilling Underway at Nb-REE Stone Tank Target, Mt Clere

Appendix 1 - Details of Tenements Held at 30 September 2025

Project	Tenement Licence	Interest held at at 30 June 2025	Interest acquired/ disposed	Interest held at 30 September 2025
Belgravia	EL8153	100%	-	100%
Turon	EL8942	100%	-	100%
Rand	EL9000	100%	-	100%
Rand	EL9276	100%	-	100%
Rand	EL9277	100%	-	100%
Rand	EL9366	100%	-	100%
Mt Clere	E09/2357	100%	-	100%
Mt Clere	E52/3730	100%	-	100%
Mt Clere	E52/3731	100%	-	100%
Mt Clere	E52/3836	100%	-	100%
Mt Clere	E52/3873	100%	-	100%
Mt Clere	E52/3876	100%	-	100%
Mt Clere	E52/3877	100%	-	100%
Mt Clere	E51/1994	100%	-	100%
Mt Clere	E52/3938	100%	-	100%
Mt Clere	E52/3962	100%	-	100%
Mt Clere	E52/3972	100%	100%	0%
Mt Clere	E52/4448	+	-	+
Mt Clere	E52/4498	+	-	+
King Tamba	P59/2082	100%	-	100%
King Tamba	P59/2140	100%	-	100%
King Tamba	P59/2141	100%	-	100%
King Tamba	P59/2142	100%	-	100%
King Tamba	E59/2389	100%	-	100%
King Tamba	E59/2503	+	-	+
King Tamba	E59/2925	+	-	+
Zopkhito	#10001467	Option to acquire 80%	-	Option to acquire 80%

+ Tenement applications subject to grant

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

KRAKATOA RESOURCES LIMITED

ABN

39 155 231 575

Quarter ended ("current quarter")

30 September 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(1,549)	(1,549)
(b) development		
(c) production		
(d) staff costs		
(e) administration and corporate costs	(366)	(366)
1.3 Dividends received (see note 3)		
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives	129	129
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(1,786)	(1,786)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements		
(c) property, plant and equipment	-	-
(d) exploration & evaluation		
(e) investments		
(f) other non-current assets		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	-	-
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,089	2,089
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(95)	(95)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	1,994	1,994
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,545	1,545
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,786)	(1,786)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,994	1,994

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,753	1,753

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,737	1,530
5.2	Call deposits	16	15
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,753	1,545

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	76
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	Total financing facilities		
7.5	Unused financing facilities available at quarter end		
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,786)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,786)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,753
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,753
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.98
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Yes, throughout the next quarter the Company will focus on exploration at its Zopkhito Antimony-Gold Project	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: Yes, the Company will be required to raise further cash to fund its operations. The Company has always been well supported in its capital raising initiatives and has raised a further \$1.1m subject to shareholder approval at general meeting dated 31 October 2025.	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: Yes, for the reason noted in 8.8.2 above	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: **30 October 2025**

Authorised by: **By the Board**
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.