

18 May 2026

MURCHISON SOUTH FULLY FUNDED TO PRODUCTION

HIGHLIGHTS

- Reach has executed a binding option agreement with Anadel Resources Pty Ltd, granting exclusivity to negotiate a right to mine and milling agreement (RTMM Agreement) for the Murchison South Gold Project (M59/769 – Blue Heaven)
- Anadel subsidiary Gylden Resources Pty Ltd operates the Kirkalocka Mill and will process ore from Reach's 80,000oz¹ Au Murchison South Gold Project
- The Kirkalocka Mill is located approximately ~75km from the Murchison South Gold Project
- The RTMM Agreement, signed in counterpart by Reach, provides for a 50/50 share of net project profits between Reach and Anadel, on an at cost and open-book basis
- Anadel to fully fund pre mining activities, mining, haulage and processing costs upfront, with repayment from gold revenue
- A\$2 million non-refundable option fee is due and payable from Anadel to Reach, allowing Reach to advance key approvals and accelerate project development
- The Agreement covers M59/769 only, retaining flexibility for Reach to either include M59/786 & M59/790 in this arrangement later or fund itself or divest (Figure1)
- Anadel has agreed to subscribe for shares representing approximately 9.4% of Reach's issued capital at \$0.009 per share (~A\$900,000)
- RTMM Agreement becomes effective on Anadel exercising their option and signing in counterpart, the RTMM Agreement

Reach Resources Limited (ASX: RR1 & RR1OA) ("Reach" or "the Company") is pleased to announce it has entered into a binding option agreement (**Option Agreement**) with Anadel Resources Pty Ltd (ACN 693 820 496) (**Anadel**) under which Anadel has been granted an exclusive option (**Option**) to enter into a right to mine and milling agreement (**RTMM Agreement**) in respect of the Company's Murchison South Gold Project located in the Murchison Goldfields Region of Western Australia (**Project**). The RTMM Agreement relates only to M59/769 (Blue Heaven – see Table 1).

The Option Agreement grants Andel an exclusive option, exercisable during a 180-day option period commencing on the date of execution, to enter into the RTMM Agreement (which has already been executed by Reach as counterparty) in respect of the Project. The RTMM Agreement will become effective upon completion or waiver of the conditions precedent (see below) and Andel's exercise of the Option.

In consideration for the grant of the Option, Andel will pay Reach a non-refundable cash option fee of A\$2,000,000 (plus GST, if applicable) within 21 days (**Option Fee**). Under the Option Agreement, Andel will also subscribe for 100,000,000 fully paid ordinary shares in Reach resulting in Andel holding approximately 9.4% of Reach's issued capital (on an undiluted basis), at an issue price of \$0.009 per share (**Placement Shares**), raising \$900,000 (**Placement Funds**). The Placement Shares will rank equally with Reach's existing ordinary shares and Reach will apply for quotation of the Placement Shares on ASX. The Placement Shares will be issued under Reach's existing placement capacity under ASX Listing Rule 7.1.

The Option Fee and the Placement Funds are each payable by Andel to Reach within 21 days. Reach will issue the Placement Shares promptly following receipt of the Placement Funds. Exercise of the Option and the counter signing of the RTMM by Andel, is subject to satisfaction (or waiver, where permitted) of conditions precedent including completion of legal and technical due diligence by Andel and obtaining all necessary third-party consents and approvals. If the conditions are not satisfied and the Option is not exercised by Andel during the option period, the Option will lapse and the RTMM Agreement will not become effective.

Use of proceeds

The Company will apply the non-refundable A\$2million Option Fee to progress mining approvals and in accelerating project development and execution.

The Placement Funds will be applied to general working capital, existing projects and project identification.

Commenting on the binding option agreement, CEO Jeremy Bower said:

*"We are delighted to partner with Andel, whose group of companies brings extensive mining expertise and also owns **the Kirkalocka Processing Mill** and is operated by their wholly owned subsidiary, Gylden Resources Pty Ltd. The Kirkalocka Mill is located only 75km from our Murchison South Gold Project, where our ore will be processed. In addition, Andel's group of companies also own **SMS (WA) Holdings Pty Ltd**, a mining services company, which is intended to be contracted under the RTMM Agreement to undertake mining services at Murchison South.*

*Having an **open-book cost** structure provides Reach with a high level of transparency and input across all activities, while Andel's vertically integrated offering, essentially a one-stop shop from excavation through to ore processing, represents a highly compelling outcome for the Company.*

*Under the proposed structure, Andel will fully fund the project **on at cost basis** through to production of gold doré, with a **50/50 profit share** that strongly aligns the interests of both parties. Andel's decision to also take a strategic 9.4% position in the Company is a strong endorsement of the Murchison South asset, our strategy, and the partnership itself. This is an outstanding outcome for our shareholders and a major step forward for the Company. We look forward to providing further updates."*

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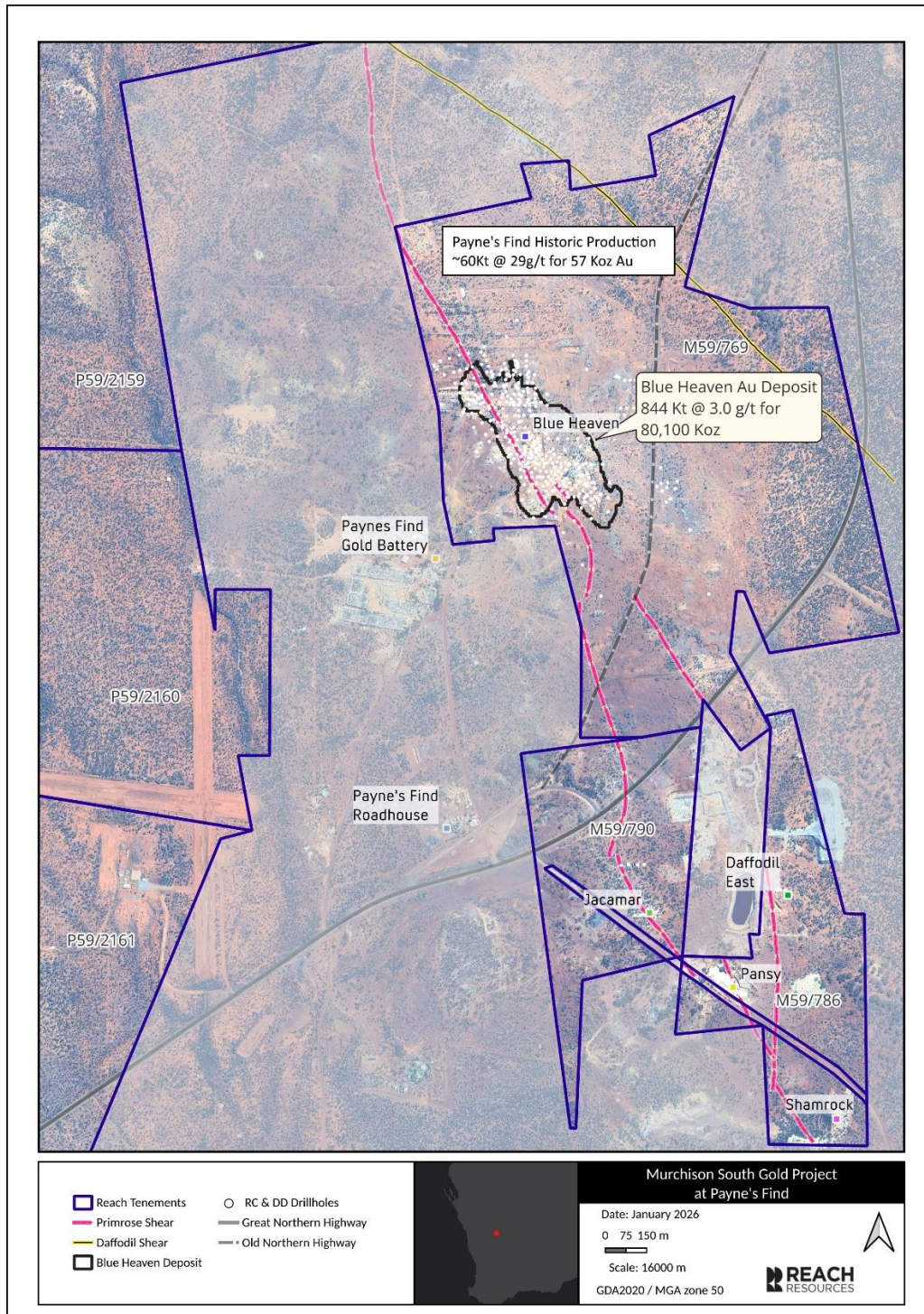


Figure 1 ¹

Key terms of RTMM Agreement

Subject to exercise of the Option and completion of settlement under the Option Agreement, the RTMM Agreement will become effective. The key commercial terms of the RTMM Agreement are summarised below.

- **Term:** 4 years and 9 months from commencement, subject to extension by agreement between the parties.
- **Conditions precedent:** Andel receiving FIRB approval, each of the project and ancillary agreements being executed, including a Toll Milling Agreement with Gylden Resources Pty Ltd (operator of the Kirkalocka Mill) and a Mining Services Agreement with SMS (WA) Holdings Pty Ltd, completion of a baseline environmental audit, and execution of a specific security agreement under which Reach grants security to Andel over the Tenements and the Project bank account.
- **Grant of rights:** Reach grants Andel exclusive rights to mine, process and transport gold-bearing ore from the tenements comprising the Project during the term.
- **Costs and oversight:** Andel's mining and milling costs are charged on a direct cost recovery basis with no corporate overhead or related-party mark-up, subject to open-book disclosure, audit rights and annual independent benchmarking.
- **Project oversight:** Reach has the right to nominate a site representative who may be present at the project for up to 5 days in any 7-day period, with monthly progress meetings between Andel and Reach's senior representatives.
- **Tenement holding costs:** 100% of tenement holding costs payable by Reach are recoverable under the RTMM Agreement, in priority to recovery of Andel's costs.
- **Funding and operation:** Andel will fund, procure and manage all mining, processing and transport activities, and all mining activities will be conducted under mine plans prepared by Andel.
- **Termination:** The RTMM Agreement contains customary termination rights, including in the event of material unremedied breach or insolvency.

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¹ASX Announcement – 9 April 2026 (See Indicated and Inferred Mineral Resource Estimate table below)

Table 1. Mineral Resource Estimate

Table 1: Mineral Resource Estimate – Blue Heaven				
Classification	Weathering State	Tonnes kt	Grade Au (g/t)	Gold Ounces (Oz)
Indicated	Oxide	76	1.3	3,100
	Primary	454	2.9	41,900
	Total	530	2.6	45,000
Inferred	Oxide	31	0.8	800
	Primary	283	3.8	34,200
	Total	314	3.5	35,000
Total	Oxide	107	1.1	3,900
	Primary	737	3.2	76,100
	Total	844	3.0	80,000

Table 1 notes:

1. The preceding statements of Mineral Resources conform to the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) 2012 Edition. All tonnages reported are dry metric tonnes. Minor discrepancies may occur due to rounding to appropriate significant figures which reflect the level of confidence in the Mineral Resources.
2. The open pit Mineral Resource is the portion of the Mineral Resource that is constrained within A\$4,500/oz optimised pit shell and above a cut-off grade of 0.5g/t Au.
3. Estimates are rounded to reflect level of confidence in the Mineral Resources at the time of reporting.

This announcement has been authorised by the Board of Reach Resources Limited

For further information please contact:

Jeremy Bower

Chief Executive Officer
Level 4, 216 St Georges Terrace
Perth, 6000 W.A
jeremy@reachresources.com.au

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About Reach Resources Limited

Reach Resources has a diversified portfolio of projects led by the Murchison South Gold project near Payne's Find, Western Australia.

The Company has also advanced lithium, manganese and REE exploration assets in the resource rich Gascoyne Mineral Field.

In addition, the Company holds an investment in a downstream patented technology that recycles the rare earth elements from the permanent magnets required in electric vehicles, wind turbines, hard disk drives and MRI machines (RECycle Inc.).

Competent Person's Statement

The information in this release that relates to Mineral Resource Estimate has been compiled under the supervision of Mr. Andrew Goode B.Sc. (Hons), who is a member of the Australasian Institute of Mining and Metallurgy and who has verified, reviewed and approved such information. Mr Goode is a full-time employee of Mining Plus and has sufficient experience which is relevant to the styles of mineralisation and types of deposit described in the report and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). Mr Goode consents to the inclusion in this announcement of the matters based on his information in the form and context in which they appear.

No New Information

Except where explicitly stated, this announcement contains references to prior exploration results, all of which have been cross-referenced to previous market announcements made by the Company. 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 that all material assumptions and technical parameters underpinning the estimates in those market announcements continue to apply and have not materially changed.

Forward Looking Statement

This announcement contains forward looking statements concerning the projects owned by Reach Resources Limited. If applicable, statements concerning mining reserves and resources may also be deemed to be forward looking statements in that they involve estimates based on specific assumptions. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward looking statements are based on management's beliefs, opinions and estimates as of the dates the forward looking statements are made and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

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