ASX Announcement
4 August 2026

Binding Agreement for Proposed Sale of Machinga REE Project to AuKing Mining for up to A$4M, Strengthening Funding and Strategic Focus

Highlights

- Binding agreement executed with **AuKing Mining Limited** (ASX: AKN) in relation to the proposed divestment of 100% of the Machinga Rare Earth Elements (REE) Project (EPL 0529 and EPL 0705) in Malawi.
- Total consideration value **of up to A$4M**, comprising staged cash, equity and performance shares.
- Non-dilutive funding expected to further strengthen Tusker's balance sheet and support planned exploration and development programs.
- Capital to be redirected to core rutile and heavy mineral sands portfolio in Cameroon and Malawi, where the Company holds district-scale tenements with confirmed high-grade mineralisation and proximity to infrastructure.
- Tusker will retain ongoing exposure to Machinga REE upside via equity in AuKing, maintaining leverage to rare earth markets, which are currently benefiting from strong macro tailwinds.
- The proposed transaction enables a dedicated owner to advance the REE potential of Machinga, unlocking value without further capital commitment from Tusker.
- Engage with this announcement at the Tusker Minerals Investor Hub

Tusker Minerals Ltd (ASX: TSK, "Tusker" or "Company"), an African-focused explorer advancing a portfolio of critical mineral assets, is pleased to announce it has entered into a binding agreement (the "Agreement") with **AuKing Mining Limited** (ASX: AKN) ("AuKing") in respect of the proposed acquisition of 100% of Tusker's Machinga Rare Earth Elements (REE) Project (the "Project") located in southern Malawi. The Project comprises the exclusive prospecting licences EPL 0529 and EPL 0705 held by Green Exploration Limited, a wholly owned subsidiary of Tusker.

Chief Executive Officer, Cliff Fitzhenry, commented:

"This proposed transaction builds on the successful divestment of our Tundulu project and reflects our disciplined approach to capital allocation and portfolio optimisation. It enables Tusker to prioritise advancement of its high-grade rutile and heavy mineral sands assets in Cameroon and Malawi, where we see the strongest near-term value creation, while retaining meaningful exposure to rare earth sector upside through our equity position in AuKing.

We are pleased to again partner with AuKing on this opportunity. This approach maximises value for Tusker shareholders by focusing resources on our highest-priority assets."

Strategic Rationale: Funding & Focus

This proposed transaction represents a further disciplined capital allocation decision that strengthens Tusker's balance sheet while sharpening its strategic focus toward assets with the strongest near-term discovery and development potential and highest strategic relevance to global critical mineral supply chains, following the successful divestment of the Tundulu REE Project.

The proposed divestment would deliver:

- Immediate and deferred cash inflows to extend the Company's funding runway;
- Non-dilutive capital, avoiding equity dilution to existing shareholders; and
- Increased capacity to accelerate development of Tusker's core rutile and HMS portfolio, where management sees the strongest near-term value creation.

Tusker's rutile and HMS projects in Cameroon and Malawi comprise district-scale tenements with high-grade mineralisation and proximity to infrastructure, positioning the Company to benefit from growing demand for titanium feedstocks.

At the same time, the Company would retain equity exposure to Machinga through AuKing shares and performance shares, preserving upside to the rare earth sector without additional capital outlay.

The Machinga project is a heavy rare earth elements (HREE) prospect with demonstrated potential through prior exploration activities. The proposed divestment follows Tusker's strategic review of its REE assets to enable greater focus on its titanium-rich mineral sands portfolio.

Terms of the Proposed Transaction

The proposed total consideration value is up to A$4M in non-dilutive consideration, comprising cash, AuKing ordinary shares and contingent performance consideration, strengthening Tusker's balance sheet and extending the Company's funding runway. This allows Tusker to accelerate exploration and development activities across its core projects while maintaining a disciplined capital structure.

Under the proposed divestment, AuKing will acquire 100% of the Machinga REE Project from Tusker's wholly owned subsidiary, Green Exploration Limited, for total consideration comprising:

- A$750,000 cash at completion;
- 30,000,000 fully paid ordinary shares in AuKing, valued at A$750,000, to be issued at completion, subject to any required AKN shareholder approval and with a 12-month voluntary escrow;
- 50,000,000 AuKing performance shares, which will automatically convert into fully paid ordinary AuKing shares upon publication, within three years from the date of issue of the performance shares, of a JORC-compliant inferred Mineral Resource for the Machinga Project of at least 10Mt at 0.65% TREO, applying a 0.5% TREO cut-off grade. Upon satisfaction of the performance hurdle, AuKing will issue ordinary shares with a value of A$1,250,000, calculated using the 90-day VWAP of AuKing shares as at the date the performance hurdle is satisfied, subject to a maximum of 50,000,000 ordinary shares. Of the ordinary shares issued on conversion, 50% will be voluntarily restricted for three months and 50% for six months from their date of issue.
- A further A$1,250,000 in cash payable 12 months after completion.

Completion remains subject to the parties entering into the definitive transaction documentation and obtaining all necessary legal, regulatory, shareholder and third-party approvals, including approval from the relevant Malawian mining authority for the transfer of EPL 0529 and EPL 0705 from Green Exploration Limited to AuKing or its nominated Malawian subsidiary.

For facilitating the transaction with AuKing, the Company will pay Moa Mining Pty Ltd, a company associated with Matt Horgan, a facilitation fee equal to 4% of the consideration received by Tusker under the transaction.

-ENDS-

This announcement has been authorised by the Board of Tusker Minerals.

More information

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About Tusker Minerals

Tusker Minerals is an African-focused explorer advancing a high-quality portfolio of critical mineral assets across Cameroon and Malawi. Tusker's projects include the Central Rutile Project and Douala Basin HMS Project in Cameroon and the Mzimba Rutile and Salambidwe Projects in Malawi.

Forward-Looking Statements

This announcement may include forward-looking statements and opinions. Forward-looking statements, opinions and estimates are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of Tusker Minerals. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements, opinions or estimates. Actual values, results or events may be materially different to those expressed or implied in this announcement.

Given these uncertainties, readers are cautioned not to place reliance on forward-looking statements, opinions or estimates. Any forward-looking statements, opinions or estimates in this announcement speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Tusker Minerals does not undertake any obligation to update or revise any information or any of the forward-looking statements, opinions or estimates in this announcement or any changes in events, conditions or circumstances on which any such disclosures are based.