KRAKATOA RESOURCES LTD.

STRATEGIC PLACEMENT TO FUND INITIAL ZOPKHITO EARN-IN

Highlights

- Firm commitments received to raise $2.4 million via a placement at $0.006 per new share, with one free-attaching unlisted option for every four shares subscribed for, exercisable at $0.01
- Strategic placement anchored by a $1.8m investment from a Hong Kong based private investor with a track record of successful investments in global natural resources
- Funds will secure Krakatoa's initial 10% ownership in the Zopkhito Antimony-Gold Project for US$875,000 through its wholly owned Georgian subsidiary, representing the first stage towards an 80% project ownership
- Remaining proceeds will accelerate the 2026 work program exploration and development programs, including continued resource definition drilling, bulk sampling and JORC-compliant metallurgical test work
- Work program designed to support a maiden JORC 2012 Mineral Resources Estimate, preliminary mining studies and advance project development activities
- Zopkhito hosts a foreign resource estimate of **225Kt @ 11.6% Sb for a contained 26,000 tonnes of Sb and 7.1Mt @ 3.7g/t for 815,119oz of Au[1]**

Krakatoa Resources Limited (**ASX: KTA**) ("**Krakatoa**" or "**the Company**") is pleased to advise that it has received firm commitments to raise $2.4 million (before costs) via a placement of approximately 400,000,000 new fully paid ordinary shares ("**New Shares**") at an issue price of $0.006 per New Share ("**Placement**"), with one free-attaching unlisted option for every four New Shares subscribed for, exercisable at $0.01 and expiring on 29 September 2028 ("**Placement Options**"). The issue of the Placement Options is subject to prior shareholder approval.

The placement is anchored by an unrelated private investment entity wholly owned by Ms. Hui Ling for $1.8 million, representing 14.9% of the post-Placement issued share capital. Ms. Hui is a low-profile Hong Kong based private investor focused on global natural resources. Her participation represents a purely financial investment, supported by a long-standing track record of successful investments across the oil, gas and broader natural resources sectors.

The Placement has been undertaken to fund the acquisition of the first 10% ownership in the Zopkhito Antimony-Gold Asset (**"Zopkhito"**). The Company retains an exclusive option to own up to 80% of the project.[2]

[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.

[2] See ASX: KTA Announcement, dated 17 April 2026, "Zopkhito Deal Restructured for Growth and Field Program Update"

Krakatoa Resources Executive Chairman, Colin Locke commented: *"This Placement marks the first step to 80% ownership of Zopkhito while accelerating the 2026 resource definition programs and development activities.*

We are pleased to welcome our cornerstone investor, whose participation reflects the strategic nature, grade and scale of the Zopkhito Project.

The balance of $600K was placed to long term holders through Lodge Partners who was appointed as our Lead Manager.

Our current drilling aims to validate the historical mineralisation model, as we work towards delivering a maiden JORC-compliant Mineral Resource Estimate. The proceeds of the Placement will also provide funding to advance our 2026 work program, which includes ongoing surface and underground drilling, metallurgical test work, investigating discovery potential of copper and tungsten on the property and preliminary development studies.

Antimony is now globally recognised as a strategic critical mineral, with demand increasing for secure and stable supply. Zopkhito has the potential to become one of Europe's leading antimony projects, providing a strategically important source of antimony, with significant gold upside.

We would also like to welcome new shareholders to the register and thank existing shareholders for their ongoing support as we aggressively advance Zopkhito through resource definition and development.

USE OF FUNDS

Proceeds from the Placement will be applied towards:

- Acquiring the initial 10% ownership of Zopkhito
- Advancing the 2026 work program, including:
  - Resource definition drilling
  - Underground in-adit drilling
  - Bulk sampling and JORC-compliant metallurgical test work
  - Preliminary mining studies
  - Environmental baseline and permitting activities
- General working capital

ACQUISITION OF 10% OF PROJECT

Krakatoa's wholly owned Georgian subsidiary will complete the acquisition of the first 10% ownership in the Zopkhito Antimony-Gold Project via the payment of US$875,000. The amended staged earn-in structure for ownership of the Zopkhito was announced in April 2026[2], which provides Krakatoa with a capital-efficient pathway to increase its interest to up to 80% while directing investment toward resource drilling and project development.

PLACEMENT OVERVIEW

The Placement involves the issue of 400,000,000 New Shares to new and existing wholesale and sophisticated investors at an issue price of $0.006 per New Share to raise a total of ~$2.4 million (before costs). The New Shares will be issued using available placement capacity under ASX Listing Rule 7.1 (240,000,000) and 7.1A (160,000,000). The issue price for the Placement represents a discount of:

- 14.3% discount to the last close $0.007; and
- 10.4% discount to the 15-day VWAP ($0.0067).

The New Shares will be listed on ASX and rank equally with existing fully paid ordinary shares.

Lodge Partners acted as Lead Manager of the Placement. The Lead Manager will receive an aggregate 6% fee on funds raised under their Placement of $600K, in addition to 25,000,000 unlisted options on the same terms as the Placement Options ("**Lead Manager Options**").

The Placement Options and Lead Manager Options will be subject to shareholder approval at an upcoming General Meeting.

INDICATIVE PLACEMENT TIMETABLE

Event	Date
ASX announcement and trading halt lifted	Friday 7 August 2026
Settlement of New Shares	Tuesday, 11 August 2026
ASX Quotation of New Shares	Wednesday, 12 August 2026
Anticipated date for General Meeting to approve the issue of Placement Options and Lead Manager Options	Late September 2026

This announcement has been authorised for release by the Board.

– ENDS –

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Forward Looking Statements

This document may include forward-looking statements. Forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of the Company. Actual values, results or events may be materially different to those expressed or implied in this document. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. No representation is made that, in relation to the tenements the subject of this announcement, the Company has now or will at any time in the future develop resources or reserves within the meaning of the JORC Code 2012. Any forward-looking statements in this document speak only at the date of issue of this document. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and, unless required by applicable law, the Company is not under 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.