18 August 2026

ANDEL EXERCISES OPTION & COMPLETES DD FAST-TRACKING TOWARD FULL-SCALE MINING

HIGHLIGHTS

- **Andel completes due diligence and formally exercises its Option to enter into the RTM Agreement[1], confirming its commitment to fund Murchison South through to gold production**
- Andel Resources Pty Ltd has exercised its option under the binding Option Agreement announced on 18 May 2026[1] **and has formally entered into the Right to Mine Agreement for the Murchison South Gold Project (M59/769 – Blue Heaven)**, having satisfied the conditions precedent to exercise of the Option, being completion of due diligence and receipt of necessary third-party consents and approvals[1]
- As previously announced, the RTM Agreement provides for a 50/50 share of net project profits between Reach and Andel, on an **"at cost and open-book basis"**
- Andel subsidiary Gylden Resources Pty Ltd operates the Kirkalocka Mill, located ~75km from Murchison South, and will process ore from Reach's 80,000oz Au (Table 1) Murchison South Gold Project under the terms of a Toll Milling Agreement to be agreed as condition precedent to the RTM Agreement[1]
- Subject to the remaining conditions precedent being satisfied, Andel will fully fund pre-mining activities, mining, haulage and processing costs upfront, with repayment from gold revenue[1]

Reach Resources Limited **(ASX: RR1 & RR1OA) ("Reach" or "the Company")** refers to its announcement of 18 May 2026 in which it advised that it had entered into a binding option agreement **(Option Agreement)** with Andel Resources Pty Ltd (ACN 693 820 496) **(Andel).**

The Option Agreement granted Andel an exclusive option **(Option)** to enter into a Right to Mine Agreement **(RTM Agreement)** in respect of the Company's Murchison South Gold Project **(Project)**, located in the Murchison Goldfields Region of Western Australia. The RTM Agreement relates only to M59/769 (Blue Heaven).

The RTM Agreement has now been executed and is legally binding. Andel's right to mine under the RTM Agreement is subject to satisfaction (or waiver) of the condition's precedent set out below.

The Company and Andel will now work towards satisfying the conditions precedent to fast-track mining at Murchison South.

[1] Refer to announcement released to ASX on 18 May 2026, titled "Murchison South Fully Funded to Production".

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Commenting on the exercise of the Option, CEO Jeremy Bower said:

"This is a landmark milestone for the Company and our shareholders as we move from explorer toward developer. Following a rigorous due diligence review of our project, Andel have committed to us and development of Murchison South. We have some conditions left to close out which we will complete in parallel to submission of our Mining Proposal to commence mining as soon as possible. We look forward to working with Andel to bring Murchison South into production."

Commenting on the exercise of the Option, Andel's Chief Development Officer Roderick Crowther said:

"Having reviewed the geological database for Murchison South, conducted pit optimisations and preliminary mine designs, we are excited by both the near-term production potential from open pit operations and the longer-term upside to the project including underground mining. We look forward to working closely with Reach Resources to both expedite production and investigate future extension opportunities."

Figure 1: Kirkalocka Processing Facility 2026

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Andel's right to mine under the RTM Agreement is subject to satisfaction (or waiver) of the condition's precedent set out below.

1. FIRB Approval: Andel receiving all approvals required under the *Foreign Acquisitions and Takeovers Act 1975 (Cth)* for Andel to enter into the Specific Security Agreement[1] and hold the security interests granted to Andel pursuant to the Specific Security Agreement (subject only to any conditions which are satisfactory to Andel, acting reasonably); *(Benefit: Andel)*

2. Project Agreements: each of the necessary Project Agreements being executed (mining services and toll milling); *(Benefit: Reach and Andel)*

3. Ancillary Agreements: each of the necessary Ancillary Agreements being executed; *(Benefit: Reach and Andel)*

4. Environmental Baseline Audit: an independent environmental baseline audit of the Tenements being completed by a qualified consultant acceptable to both Reach and Andel (acting reasonably) and provided to both parties, with the costs of the audit borne equally by the parties; *(Benefit: Reach and Andel)*

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

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.*

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

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-ENDS-

About Reach Resources Limited

Reach Resources is focused on advancing its flagship Murchison South Gold project near Payne's Find, Western Australia.

Following the divestment of its non-core lithium assets, the Company retains exposure to strategic investments including REEcycle Inc., while continuing to evaluate opportunities to create shareholder value.

Competent Person's Statement

The information in this announcement that relates to the Mineral Resource Estimate and classification of the Blue Heaven Project is based on information compiled under the supervision of Mr Andrew Goode B.Sc. (Hons), who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Goode is an independent consultant employed full time by Mining Plus Pty Ltd. Mr Goode has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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 the report of the matters based on the information in the form and context in which it appears.

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.