

15 August 2025

ASX Market Announcements

**APPROVAL RECEIVED FOR DRILLING PROGRAM TO COMMENCE
 AT LIMESTONE COAST – RARE EARTH ELEMENT PROJECTS – SOUTH AUSTRALIA
 LAMEROO EL 6856, KARTE EL 6977 AND COODALYA EL 6978**

Kaili Resources Limited (“KLR”) is pleased to announce that it has received approval from the Department of Energy and Mining of South Australia (DEM) for the EPEPRs (exploration program for environment protection and rehabilitation) within the 3 tenements Lameroo, Karte and Coodalya for drilling along road verges at the locations proposed by KLR see **Figures 1, 3 and 4**.

KLR is in the process of engaging a driller and traffic management team together with a site geologist to conduct the drilling program to commence as soon as possible. The plan is to Aircore drill shallow holes of up to 20 m deep to test for potential Rare Earth Elements (“REEs”) mineralisation.

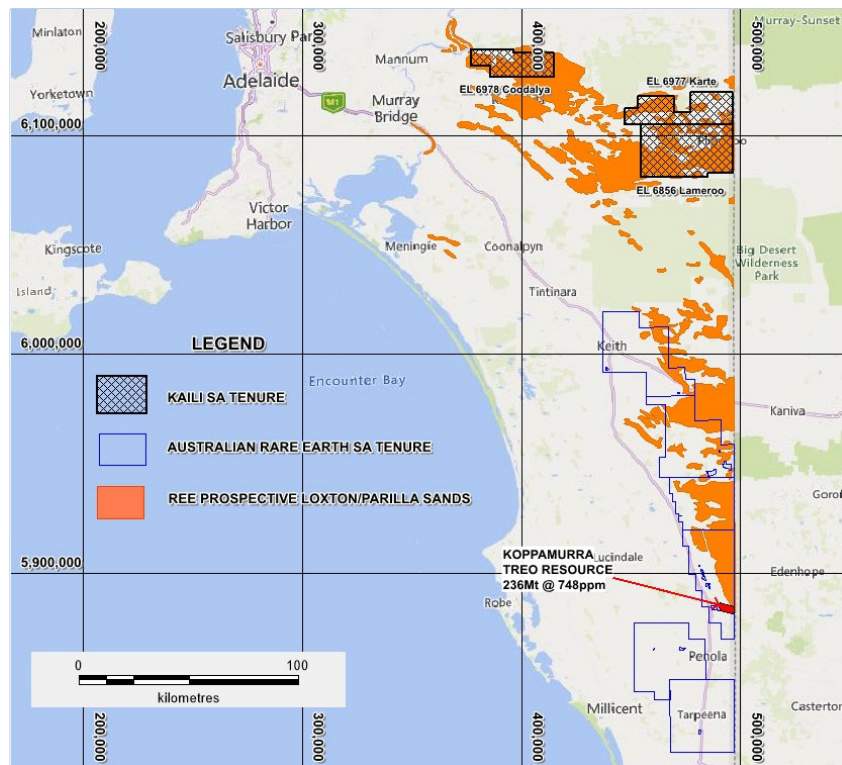


Figure 1: Location of Lameroo, Karte and Coodalya Rare Earth Exploration Tenements in Murray Basin,

The 3 tenements are accessible by highway and close to infrastructure being approximately 200 kms east of Adelaide within the Loxton/Parilla Sands in the Murray Basin in South Australia (**Figure 1**). REEs are reportedly contained within the fine clay fraction of Tertiary (65 to 2.5 million Years Ago) Strandlines (ionic clay style of deposit) in the basin.

Australian Rare Earths (ASX:AR3) has reported exploration success within their tenements in the region with estimated JORC 2012 resource of 236Mt @ 748ppm Total Rare Earth Oxides (TREO) (see AR3 ASX release of 30 September 2024) and is advancing through pre-feasibility study with a \$5 million Australian Government co-funding grant.

Before the grant of Karte and Coodalya, the Company had conducted pXRF scan of samples from selected historic drill holes held by the SA Government, collected and assayed samples from fresh outcropping granite at Lameroo and in February 2024 completed an initial widely spread drilling program along road verges at Lameroo (**Figure 2**) to identify areas for infill drilling.

The assay results of the initial drilling program at Lameroo were encouraging. They have been used as reference in the design and planning of the current drill program across all 3 tenements.

A summary of significant Total Rare Earth Oxides (“TREO”) drilling intersections are as follows:

- 1m @ 356 ppm from 18 m - 19 m LMAC046
- 1m @ 271 ppm from 2 m - 3 m LMAC032
- 1m @ 228 ppm from 19 m - 20 m LMAC047

Magnetic (Battery) Rare Earth Oxides - MREO (Tb+ Dy+ Pr+ Nd) comprise on average 17% of the TREO. (See the KLR's ASX release on 25 March 2024 for the JORC table and list of results for each hole.)

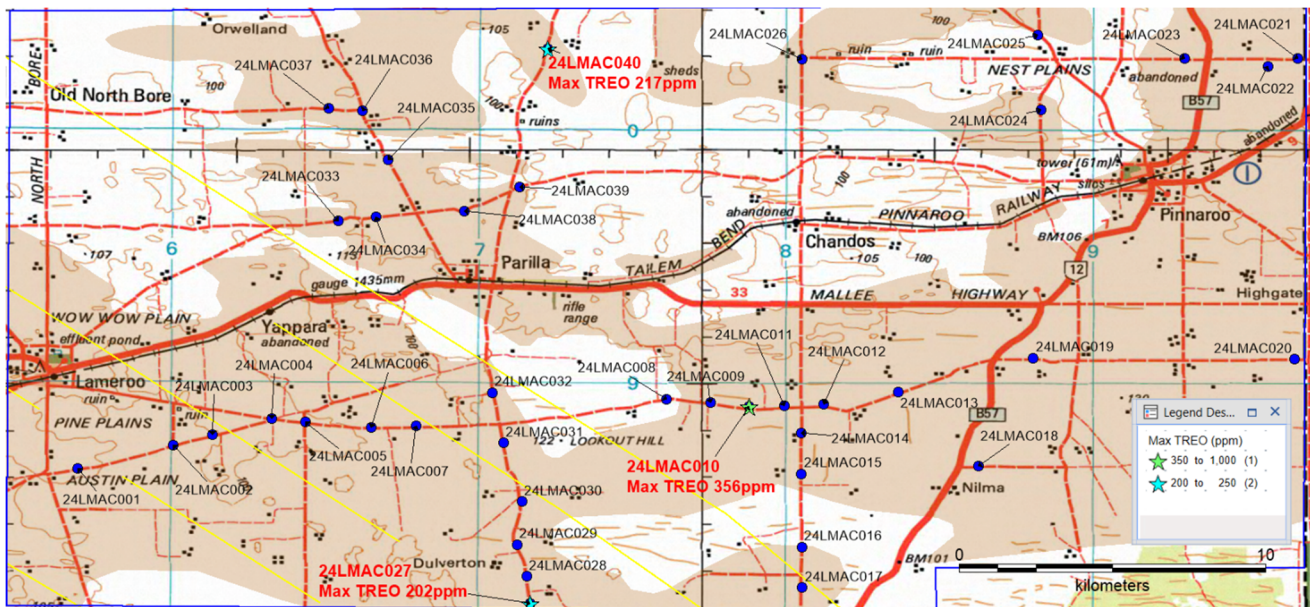


Figure 2: Location of Lameroo Aircore Drill Holes (LM series) within the target Loxton/Parill Sands (brown) and showing maximum ppm TREO in the hole

During the March 2025 quarter, the Company completed roadside traverses across the Lameroo, Karte and Coodalya tenements for REEs exploration selecting the locations for drilling and application of the EPEPRs (**Figures 3 and 4**).

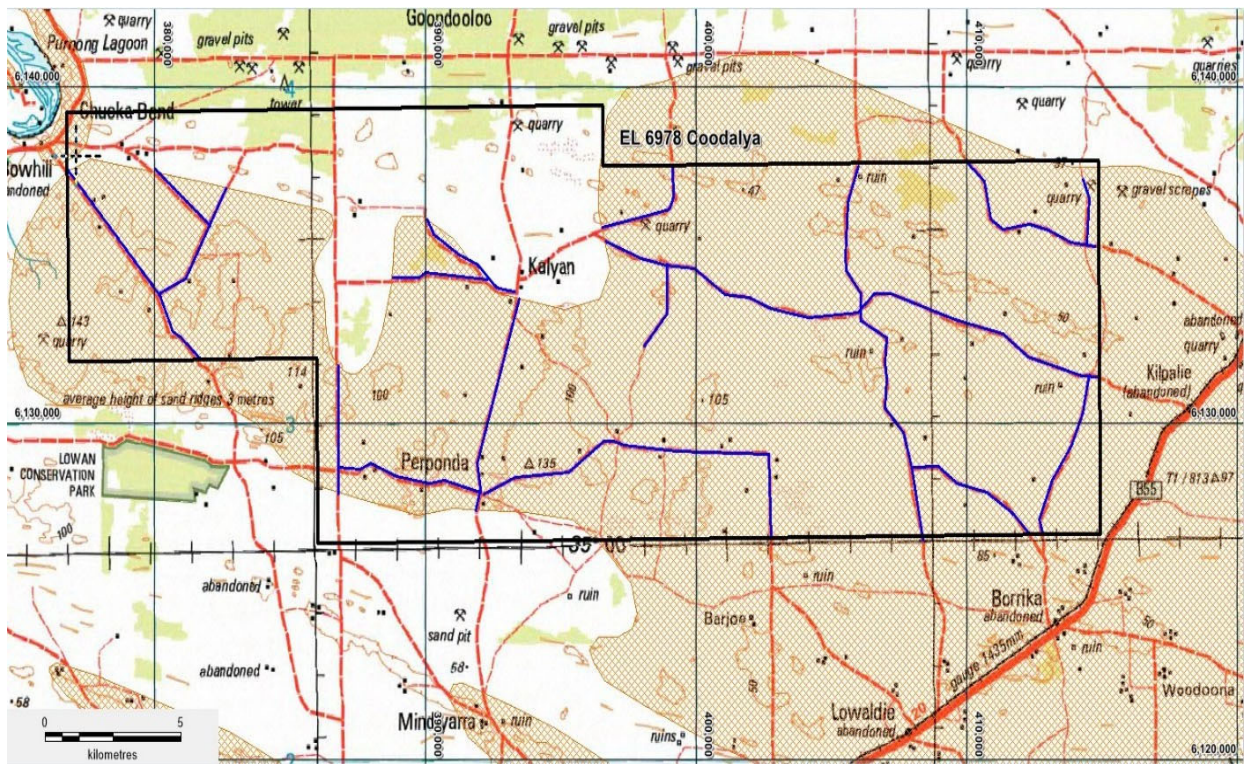


Figure 3: Vehicular traverses in blue targeting the Loxton/Parilla Sands within Coodalya

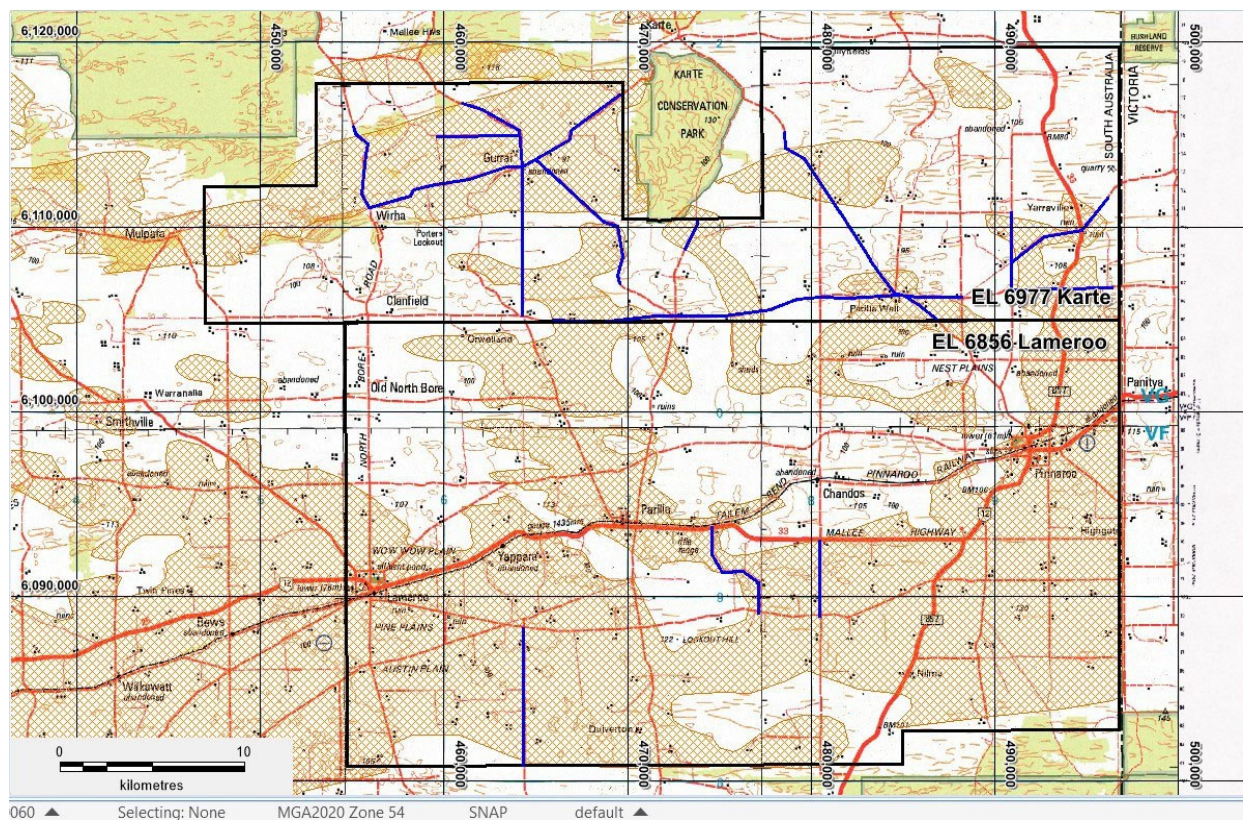


Figure 4: Vehicular traverses in blue targeting the Loxton/Parilla Sands within Karto and Lameroo

Competent Person Statement

The information in the report above that relates to Exploration Results, Exploration Targets and Mineral Resources is based on information compiled by Mr Mark Derriman, who is the Company's Consultant Geologist and a member of The Australian Institute of Geoscientists (1566). Mr Mark Derriman has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activities 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, Exploration Targets, Mineral Resources and Ore Reserves. Mr Mark Derriman consents to the inclusion in this report of matters based on his information in the form and context in which it appears.

Forward-Looking Statement

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements. Although Kaili Resources Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward-looking statements.

Authorised by Long Zhao, Executive Director.

Contact for information:

Patrick Sam Yue, Company Secretary

T +61 2 9264 6288

E contact@kailigroup.com.au