

New Rare Earth Restrictions Reaffirm Colossus' Strategic Importance

China's new Rare Earth Element ('REE') export controls highlight the unique value proposition at Colossus

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Highlights

- ▶ China's Ministry of Commerce and the General Administration of Customs under Article 12 of the Export Control Law, have tightened control over global rare earth supply by introduction of new export restrictions set to disrupt industries dependent on critical REEs.
- ▶ China's Ministry of Commerce will place seven medium and heavy rare earths on an export control list: Dysprosium (Dy), Terbium (Tb), Samarium (Sm), Gadolinium (Gd), Lutetium (Lu), Yttrium (Y), Scandium (Sc).
- ▶ The Colossus Resource comprises the highest grades of Dysprosium and Terbium within Measured and Indicated categories for an Ionic Adsorption Clay ('IAC') REE project globally, and as one of only a handful of advanced projects capable of delivering strong economics and ESG performance at today's subdued rare earth prices, Viridis is uniquely positioned to help address critical supply chain vulnerabilities
- ▶ As per the Colossus Scoping Study, the first 5-years of production of Colossus anticipates an average of 146 tonnes per annum of Dy-Tb production. Whereas, the next 5 years of production anticipates an average of 156 tonnes per annum of Dy-Tb production. This far exceeds peers, reaffirming the strategic value present at Colossus as a new critical supplier for export controlled and Chinese dominated REEs.¹
- ▶ China currently controls 85% of global production for Dysprosium and 89% of global mine production for Terbium² – with 70% of the mine feed sourced from Ionic Adsorption Clays³. The Colossus Scoping Study shows the ability to capture 6% of the entire Dy-Tb market upon production placing the Colossus Project as the premier major Ionic Dy-Tb supplier outside China.
- ▶ Northern Concessions Mining License additionally has shown unparalleled recoveries to final mixed rare earth carbonate ('MREC') product for Dysprosium and Terbium of 67% and 71% respectively, whilst using a cheap and benign flowsheet which places Colossus at the bottom part of the cost-curve with an annual operating cost of US \$6.0 /kg TREO¹. Northern Concessions has also displayed the highest surface grades of Heavy Rare Earth Oxides (HREO) reported in the Poços De Caldas Alkaline Complex: FZ-RC-29 – 5.5m @ 6,514ppm HREO (14,896ppm TREO)⁵.

Viridis Mining and Minerals Ltd ('Viridis' or 'Company') is pleased to provide an update on recent macro-economic developments in the Rare Earths Market, highlighting Colossus's strategic importance of the Company's Colossus IAC Project.

Recent geopolitical developments between the United States of America and its main REE supplier China, have led to China's Ministry of Commerce exercising Article 12 of the Export Control Law, leading to significant restrictions being imposed on Rare Earth Exports for 7 elements – Dy, Tb, Sm, Gd, Lu, Y, Sc. Of these 7 elements, Colossus remains highly enriched in 6. Furthermore, the Colossus IAC REE Project boasts the highest grades

globally in Measured and Indicated categories of the two most critical and high-value heavy rare-earth elements – Dysprosium and Terbium.

China currently controls 85% and 89% of the global dysprosium and terbium market respectively, with 70% of its feed sourced from ionic clay deposits. Under these new export laws, Colossus establishes strategic importance given its exceptional concentration and recoveries of these elements within its global deposit.

The Colossus Scoping Study has outlined the Project's potential to produce 146 tonnes per annum of Dysprosium and Terbium during Phase I (Years 1 – 5) and scale up to an exceptional 156 tonnes per annum of Dysprosium and Terbium during Phase II (Years 6 – 10). According to Project Blue Consulting's forecast (pricing data within Scoping Study), the 2028 demand for these two heavy rare earths is anticipated to be 2,565 tonnes, **allowing Colossus to capture 6% of the total market for Dysprosium and Terbium, which are under export controls.**

The new export control laws place further importance on the strategic nature of the Colossus IAC Project and demonstrate the potential for the Project to be the most significant disruptor of the near monopolised control over Dysprosium and Terbium global supply.

Samarium (Sm), Gadolinium (Gd), and Yttrium (Y) are essential to critical sectors such as **aerospace, defence, medical imaging, nuclear energy, and electronics**. Sm is used in high-performance magnets, Gd in MRI contrast agents and nuclear reactors, and Y in LEDs, lasers, and advanced ceramics. With projected recoveries of **6,285 t Sm, 4,125 t Gd, and 13,553 t Y** over the life of mine, Colossus is well-positioned to support secure, large-scale supply of these strategic elements outside of China.

Tonnes of each REO Recovered per Period						
Rare Earth Element	Oxide	Phase I	Phase II	Phase III	Phase IV	Life of Mine
		Year 1 - 5	Year 6 - 10	Year 11 - 15	Year 16 - 20	Year 1 - 20
Yttrium	Y ₂ O ₃	3,276	4,036	3,210	3,031	13,553
Lanthanum	La ₂ O ₃	21,129	26,030	20,701	19,548	87,408
Cerium	CeO ₂	1,140	1,404	1,116	1,054	4,714
Praseodymium	Pr ₆ O ₁₁	3,941	4,855	3,861	3,646	16,303
Neodymium	Nd ₂ O ₃	12,864	15,287	12,217	10,948	51,316
Samarium	Sm ₂ O ₃	1,519	1,872	1,489	1,406	6,285
Europium	Eu ₂ O ₃	380	468	372	351	1,571
Gadolinium	Gd ₂ O ₃	997	1,228	977	922	4,125
Terbium	Tb ₄ O ₇	123	123	109	99	454
Dysprosium	Dy ₂ O ₃	607	660	593	507	2,368
Holmium	Ho ₂ O ₃	95	117	93	88	393
Erbium	Er ₂ O ₃	237	292	233	220	982
Thulium	Tm ₂ O ₃	47	58	47	44	196
Ytterbium	Yb ₂ O ₃	142	175	140	132	589
Lutetium	Lu ₂ O ₃	-	-	-	-	-
Total Tonnes	REO	46,499	56,606	45,156	41,996	190,258

Table 1: Mineral Resource Estimate for Colossus rare earth elements Project using 1,000ppm TREO Cut-Off Grade estimates based on 22 January 2025 announcement⁶.

Chief Executive Officer, Rafael Moreno commented:

“China's recent export restrictions on several key medium and heavy rare earth elements such as Dysprosium, Terbium, Samarium and Yttrium have delivered a clear signal to global markets: the world can no longer depend on a single supply source for materials that are critical to our technological advancement, defence capabilities, and clean energy transition.

Colossus is uniquely positioned at the convergence of scale, grade, and timing. In a market shaken by China's tightening of supply, our heavy rare earth-enriched project stands out globally not just for its sheer size and

quality but because it is rapidly advancing toward production with economics that remain robust even at today's rare earth prices.

Since releasing our Scoping Study and showcasing the outstanding project economics, the level of interest we've received from across the rare earth value chain to secure offtake has been remarkable. This strong engagement has not only validated the strategic importance of our Colossus project but has also catalysed inbound approaches for project funding aligned with the growing push by countries and jurisdictions to secure long-term access to critical minerals.

At a time when rare earth prices remain subdued, there are only a couple of projects globally attracting this kind of commercial and strategic attention. The momentum we are experiencing reinforces Colossus as a globally significant and highly strategic asset in the rare earths space, and we remain committed to building a sustainable, ethical, and high-impact business that can support the global energy transition and secure defence and technological sovereignty."

Approved for release by the Board of Viridis Mining and Minerals Ltd.

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About Viridis Mining and Minerals

Viridis Mining and Minerals Limited is a resource exploration and development company with assets in Brazil, Canada and Australia. The Company's Projects comprise:

- The Colossus Project, which the Company considers to be prospective for Rare Earth Elements;
- The South Kitikmeot Project, which the Company considers to be prospective for gold;
- The Boddington West Project, which the Company considers to be prospective for gold;
- The Bindoon Project, which the Company considers to be prospective for nickel, copper and platinum group elements; and
- The Pochera and Smoky Projects, which the Company considers prospective for kaolin-halloysite.

Mineral Resource Estimate

Colossus Project Updated Resource Estimate at 1,000ppm Cut-Off

Category	License	Million Tonnes (Mt)	TREO (ppm)	Pr6O11 (ppm)	Nd2O3 (ppm)	Tb4O7 (ppm)	Dy2O3 (ppm)	MREO (ppm)	MREO/TREO
Measured	Northern Concessions (NC)	1	2,605	133	437	5	28	603	23%
	Measured Sub-Total	1	2,605	133	437	5	28	603	23%
Indicated	Northern Concessions (NC)	169	2,434	143	441	5	26	614	25%
	Southern Complex (SC)	157	2,947	169	502	6	30	708	24%
	Capao Da Onca (CDO)	2	2,481	152	414	4	22	592	24%
	Indicated Sub-Total	329	2,680	156	470	5	28	659	25%
Inferred	Northern Concessions (NC)	45	1,753	92	290	4	20	405	23%
	Southern Complex (SC)	77	2,122	104	295	4	21	424	20%
	Tamoyos (TM)	18	2,896	156	577	6	30	770	27%
	Ribeirao (RA)	19	2,544	159	455	4	24	642	25%
	Capao Da Onca (CDO)	5	2,393	132	358	4	22	517	22%
	Inferred Sub-Total	163	2,162	114	345	4	22	485	22%
GLOBAL COLOSSUS TOTAL RESOURCE		493	2,508	142	429	5	26	601	24%

Table 2: Mineral Resource Estimate for Colossus rare earth elements Project using 1,000ppm TREO Cut-Off Grade. The resource model excludes leached/soil clays, transitional horizon under 330ppm MAG_REO*, and regolith material under 300ppm MAG_REO*. The Measured and Indicated resources consist solely of regolith ore, while the Inferred resource includes both transitional and regolith ore.

Competent Person Statement

Dr José Marques Braga Júnior, the in-country Executive Director of Viridis' Brazilian subsidiary (Viridis Mineração Ltda) and a shareholder of the Company, compiled and evaluated the technical information in this release and is a member of the Australian Institute of Geoscientists (AIG) (MAusIMM, 2024, 336416), accepted to report in accordance with ASX listing rules. Dr Braga has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australian Code for Reporting of Regulation, Exploration Results, Mineral Resources, and Ore Reserves'. Dr Braga consents to include matters in the report based on information in the form and context in which it appears.

The Company confirms that it is unaware of any further new information or data that materially affects the information included in the market announcements referred to in this release and in the case of estimates of Mineral Resources, Production Targets and forecast financial information that all material assumptions and technical parameters underpinning the estimates in the relevant referenced market announcements continue to apply and have not materially changed. To the extent disclosed above, the Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

All announcements referred to throughout can be found on the Company's website – viridismining.com.au.

Forward-Looking Statements

This announcement contains 'forward-looking information' based on the Company's expectations, estimates and projections as of the date the statements were made. This forward-looking information includes, among other things, statements concerning the Company's business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as 'outlook', 'anticipate', 'project', 'target', 'potential', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve' and similar expressions. Persons reading this announcement are cautioned that such statements are only predictions and that the Company's results or performance may differ materially. Forward-looking information is subject to known and unknown risks, uncertainties, and other factors that may cause the Company's actual results, level of activity, performance or achievements to materially differ from those expressed or implied by such forward-looking information.

References

1. VMM ASX announcement dated 25 February 2025, 'Colossus Scoping Study Highlights Outstanding Economics'
2. <https://discoveryalert.com.au/news/china-rare-earth-trade-strategy-2025/>
3. <https://apnews.com/article/technology-forests-myanmar-75df22e8d7431a6757ea4a426fbde94c>
4. VMM ASX announcement dated 24 September 2024, 'Colossus Maiden Mixed Rare Earth Carbonate (MREC) Product'
5. VMM ASX announcement dated 1 February 2024, 'Spectacular Shallow Intercepts up to 23,556ppm TREO'
6. VMM ASX announcement dated 22 January 2025, 'Colossus Hits Largest M&I and Highest-Grade MREO Resource'