Woolrich Deposit Selected as Field Trial Location for In Situ REE Recovery Programme

HIGHLIGHTS:

- **Woolrich ISR Deposit selected as the field trial location** for Axel REE's inaugural in situ recovery (**ISR**) REE test programme at the Caladão Project in Brazil's Lithium Valley
- **A multidisciplinary technical team is being assembled** across the geological, engineering, environmental and specialist consulting disciplines required to design and execute the field trial programme
- **The test will occur in one area within the approximately 2 hectares** already defined, with the programme to be designed to generate field-scale pregnant leach solution (**PLS**) under realistic operating conditions
- **The field test programme is designed to calibrate the Company's conceptual $MgSO_4$ wellfield model**, advancing geological, hydrogeological, geotechnical and leaching-kinetic parameters at field scale
- **PLS generated from the field trial to be supplied to Core Resources (Australia) for downstream mixed rare earth carbonate (MREC) production**, directly testing the full value chain from in situ extraction to sellable product
- **Woolrich is underpinned by strong prior metallurgical results: soluble TREO grades averaging 464 ppm** from auger drilling, with a magnet-rich assemblage of ~42% MREO and ~40% NdPr – comparable on soluble grade to the operating Gerik ISR REE mine in Malaysia (486 ppm soluble TREO, 30% MREO)
- **Column leach tests are underway at Core Resources** to further inform wellfield design parameters ahead of field installation
- **The Woolrich deposit (128Mt) forms part of Axel's 572Mt @ 1,506ppm TREO Resource** and **439Mt @ 38ppm Gallium Resource** at Caladão

Axel REE Limited (**ASX: AXL**, **Axel** or **the Company**) announces that the Woolrich ISR Deposit within Caladão Project Area B has been selected as the location for the Company's inaugural in situ recovery (**ISR**) rare earth elements (**REE**) field trial programme.

Non-Executive Chairman, Paul Dickson, commented:

> *"The selection of Woolrich as our field trial location marks the transition from exploration and metallurgical testing to active ISR programme development. Woolrich has consistently demonstrated the hallmarks of a quality ionic clay system - soluble grades comparable to the operating Gerik mine in Malaysia, a premium magnet-rich assemblage, and the physical and geological characteristics that favour in-situ recovery. We are focused on executing this field trial efficiently and systematically, and on building the technical foundation that supports Axel's longer-term ambition to become a producer of high-value MREC products."*

The field trial is designed to generate the operating parameters required for wellfield and process design, including permeability response, reagent consumption, PLS tenor, recovery behaviour, hydraulic control and impurity management under field conditions.

The field trial team will cover mining/project engineering, process engineering, environmental coordination, geology, hydrogeology and geotechnical support, together with specialist consulting inputs required for wellfield design, installation and monitoring.

The selection follows the completion of initial $MgSO_4$ leach testwork at SGS (Brazil), which confirmed the Woolrich Deposit mineralisation is consistent with an ionic-adsorption clay (**IAC**) system with metallurgical characteristics suitable for a low-cost ISR development concept. The Woolrich Deposit now forms the foundation for Axel's practical field-scale test programme, which is designed to bridge from laboratory and auger-scale results to a functioning wellfield model.

Field Trial Programme – Woolrich ISR Deposit

The Company has defined 2 hectares where the field test will be conducted within the Woolrich ISR Deposit at Caladão Area B. The area has been selected on the basis of its favourable geological, topographic and regolith characteristics, including:

- Appropriate low-relief topography that supports gravity-assisted PLS drainage;
- A well-developed lateritic regolith profile over coarse pegmatitic granite, providing suitable permeability for leachant distribution;
- Bedrock immediately below the ionic rare earth mineralisation, expected to act as a natural hydraulic boundary to contain and direct PLS flow; and
- Proximity to the highest-grade auger intersections identified in the November 2025 leach test programme (ASX release 26 November 2025).

Figure 1. Woolrich Deposit First Wellfield Field Trial Area.

Woolrich ISR Deposit – Metallurgical Context

The Woolrich ISR Deposit previously produced results of initial $MgSO_4$ leach tests conducted at SGS on auger hole samples.

Key metallurgical highlights from that programme, which underpin the selection of Woolrich as the field trial location, include:

- Confirmation of a genuine IAC system with soluble TREO grades averaging 464ppm, comparable to the 486 ppm soluble TREO resource grade at the operating Gerik ISR REE Mine in Malaysia;
- A magnet-rich REE assemblage, with MREO representing approximately 42% of soluble TREO and NdPr averaging around 40% of soluble TREO, supporting a potentially premium MREC end product;
- Meaningful DyTb contributions of approximately 2% of soluble TREO, adding strategic basket value;
- Mineralisation open at depth in every hole intersected, with deepest samples consistently recording grades above the interval average, consistent with ionic REE enrichment towards the base of the saprolite; and

- Favourable physical parameters including appropriate topography, a coarse-grained protolith, and fresh rock basement suitable for ISR operations.

Best drill hole intercepts reported (ASX release 26 November 2025) included:

- CLD-AUG-520: 8m @ 597 ppm soluble TREO from 6m, ending with 609 ppm
- CLD-AUG-510: 10m @ 590 ppm soluble TREO from 5m, ending with 457 ppm
- CLD-AUG-521: 3m @ 508 ppm soluble TREO from 7m, ending with 530 ppm
- CLD-AUG-514: 4m @ 514 ppm soluble TREO from 12m, ending with 629 ppm
- CLD-AUG-540: 3m @ 512 ppm soluble TREO from 8m, ending with 677 ppm

Table below 1 provides a comparison of soluble TREO and MREO characteristics at the Woolrich ISR Deposit against selected IAC and ISR peers.

Company – Project	Resource Size	CAPEX (USD Million)	SOLUBLE TREO (ppm)	MREO/ TREO (%)	NdPr/ TREO (%)	DyTb/ TREO (%)
Axel REE – Caladão Project, Woolrich ISR	**128Mt**	**-**	**464**	**42.0**	**40.0**	**2.0**
MCRE Resources/Southern Alliance Mining - Gerik ISR REE Mine	**120Mt**	**20**	**486**	**30.0**[1]	**27.0**	**3.0**
Brazilian Critical Minerals (ASX:BCM) – EMA Project		55	-	**41.5**[2]	40.6	0.9
Viridis Mining (ASX:VMM) – Colossus Project		358	-	**39.0**[3]	37.5	1.4
Meteoric Resources (ASX:MEI) – Caldera Project		443	-	**31.6**[4]	30.6	1.0
Aclara Resources (TSX: ARA) – Carina Project		680	459	**31.5**[5]	27.4	4.1

Table 1. Soluble MREO at Woolrich ISR Deposit compared to selected IAC/ISR peers.

Note: All rare earths in solution are expected to report to the final MREC product, subject to downstream precipitation efficiency and impurity management.

[1] Axel CAPEX to be determined in subsequent stages of ISR project development.

[2] Euroz Hartleys, 30 October 2025, 'Malaysian ISL REE Site Visit'.

[3] ASX:BCM, 15 December 2025, 'EMA REE Project Produces First High Grade MREC From Field Trial'.

[4] ASX:VMM, 24 September 2024, 'Colossus Maiden Mixed Rare Earth Carbonate (MREC) Product'.

[5] ASX:MEI, 29 February 2024, 'First Mixed Rare Earth Carbonate (MREC) Produced for Caldeira REE Project'.

[6] TSX:ARA, 6 November 2025, 'Aclara Announces Filing and Results of Pre-Feasibility Study For Its Flagship Carina Project'.

Next Steps

The Company's near-term programme at the Woolrich ISR Deposit will include the following workstreams:

- Completion of the column leach programme at Core Resources Australia, with results to be integrated into wellfield design;
- Engagement of specialist consultants and finalisation of the multidisciplinary project team;
- Hydrogeological and geotechnical assessment of the field test area;

- Wellfield installation and commencement of $MgSO_4$ injection in the defined test area within the 2 hectare area;
- PLS recovery and supply for downstream MREC production; and
- Integration of field trial data with the Caladão Area B Mineral Resource to support further ISR technical studies.

The Company will continue to provide updates on progress at the Woolrich ISR Deposit and the Caladão Project as the programme advances.

This announcement was authorised by the Board of Directors.

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About Axel REE

Axel REE is a critical minerals exploration company which is primarily focused on developing the Caladão REE-Gallium and Caldas REE Projects in Brazil. Together, the project portfolio covers over 1,000km^2 of exploration tenure in Brazil, the third largest country globally in terms of REE Reserves.

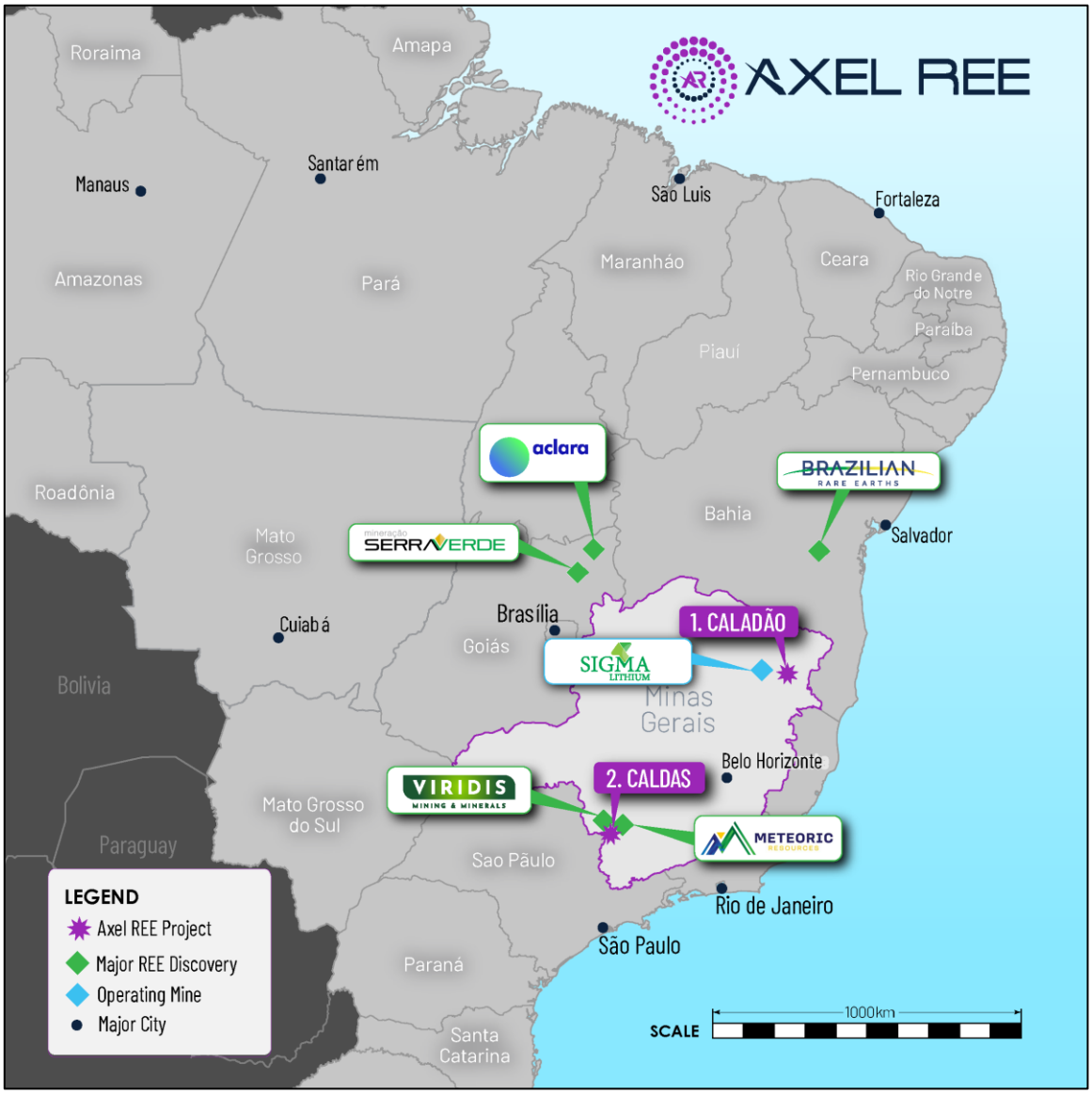
Axel is advancing a low-cost, modular development concept at Caladão based on in situ recovery (**ISR**) of ionic clay-hosted rare earth mineralisation using magnesium sulphate leaching. This approach aims to minimise surface disturbance and capital intensity by deploying modular hydrometallurgical plants within wellfields. In parallel, Axel is progressing metallurgical programs to unlock additional value from gallium and scandium within the near-surface oxidised profile.

JORC 2012 Mineral Resource Deposit	JORC 2012 Classification	Tonnes and Grade
Caladão Project – Area A	Inferred	**233Mt @ 2,133ppm TREO**
Marambaia – Area B	Inferred	**126Mt @ 1,154ppm TREO**
Tiger Creek – Area B	Inferred	**85Mt @ 1,050ppm TREO**
Woolrich – Area B	Inferred	**128Mt @ 1,013ppm TREO**

Inferred Rare Earth MRE Area A & Area B for a total MRE tonnage of 572Mt.

JORC 2012 Mineral Resource Deposit	JORC 2012 Classification	Tonnes and Grade
Caladão Project – Area A	Inferred	**100Mt @ 42.0ppm Gallium**
Caladão Project – Area B	Inferred	**339Mt @ 36.6ppm Gallium**

Inferred Gallium MRE Area A & Area B for a total MRE tonnage of 439Mt.



Map of Axel REE key projects in Brazil

Competent Persons Statement

The information in this announcement that relates to Exploration Results is based on and fairly represents information and supporting documentation compiled by Mr Antonio de Castro, BSc (Hons), MAusIMM, CREA who acts as AXEL´s Senior Consulting Geologist through the consultancy firm, ADC Geologia Ltda. Mr. de Castro has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity 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 Castro consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

Cautionary statement

The Caladão Mineral Resource Estimate is currently classified as Inferred. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration will result in the determination of Indicated or Measured Mineral Resources or an Ore Reserve. Any development concept is subject to further technical studies, regulatory approvals and funding.

Forward Looking Statement

This announcement contains projections and forward-looking information that involve various risks and uncertainties regarding future events. Such forward-looking information can include without limitation statements based on current expectations involving a number of risks and uncertainties and are not guarantees of future performance of the Company. These risks and uncertainties could cause actual results and the Company's plans and objectives to differ materially from those expressed in the forward-looking information. Actual results and future events could differ materially from anticipated in such information. These and all subsequent written and oral forward-looking information are based on estimates and opinions of management on the dates they are made and expressly qualified in their entirety by this notice. The Company assumes no obligation to update forward-looking information should circumstances or management's estimates or opinions change.

Reference to Previous Announcements

In addition to new results reported in this announcement, the information that relates to previous exploration results is extracted from:

- AXL ASX release 23 December 2025 "Axel MRE Delivers 145% REE Growth and 339% Gallium Growth"
- AXL ASX release 26 November 2025 – "Breakthrough REE Metallurgical Results at Caladão Area B"
- AXL ASX release 1 October 2025 – "REE Mineral Resource Estimate"
- AXL ASX release 22 August 2025 – "100Mt Maiden Gallium Mineral Resource Estimate"
- AXL ASX release 10 September 2025 – "New Gallium and REE Zones Expand Caladão Project Scale Potential"