19 August 2026

ANSTO Test Work Raises Korsnäs Magnet REE Extraction to 92%

Highlights

- **ANSTO Minerals' bench-scale test work has increased combined magnet rare earth extraction from 83% in the direct bake test to 92% after calcite removal.**
- **Neodymium and Praseodymium (NdPr) extraction increased to 94% and 92%, respectively; total rare earths plus yttrium (TREY) extraction increased from 86% to 93%.**
- **Hydrochloric acid pre-leaching achieved close to complete calcite removal, lifting TREY grade from 2.3 wt% to 3.9 wt%, while rare earth losses were generally 0-2%.**
- **Heavy rare earth response improved materially: terbium extraction rose by 20 percentage points to 69%, dysprosium by 23 points to 66%, and yttrium by 32 points to 75%.**
- **The result identifies calcite control as a key flowsheet lever. Physical rejection of calcite, including assessment previously reported High Gradient Magnetic Separation (HGMS) beneficiation pathway, will be further tested.**
- **European Resources to continue ANSTO program through extraction optimisation, impurity removal and precipitation, with a clear pathway to producing a bench-scale mixed rare earth carbonate (MREC) sample.**

Managing Director comment - Jason Beckton

"ANSTO's latest work has lifted combined magnet rare earth extraction from 83% to 92% after calcite removal. This is a sequential flowsheet-development story: identify the constraint, test it and measure the uplift. The result is a clear advance, and we intend to keep pushing through impurity removal and precipitation towards a bench-scale MREC product which will demonstrate the potential of our emerging and growing Finland rare earths project."

Technical comment - Dr Mark Steemson, Consulting Metallurgist and Process Engineer

"The calcite-removal test upgraded TREY from 2.3% to 3.9% with low rare earth losses, and the subsequent bake delivered the expected extraction uplift, particularly for the heavy rare earths. The chemical test establishes the technical case for calcite control. We now need to optimise it and compare it with physical rejection options. Calcite is non-magnetic, so HGMS is a logical candidate to investigate and has demonstrated promise, but that specific calcite-rejection result remains to be confirmed."

European Resources Limited (European Resources or the Company) (ASX: ERE, FSE: ER3) advises the second set of downstream hydrometallurgical results from ANSTO Minerals on historical lanthanide concentrate stockpiled at the Company's 100%-owned Korsnäs rare earth elements (REE) project in western Finland.

Continued flowsheet development

The new work follows the Company's 8 July 2026 announcement of 83% combined magnet rare earth extraction from a direct acid-bake/water-leach test. ANSTO has now tested the effect of removing calcite before the same bake and water-leach sequence. The resulting uplift to 92% magnet rare earth extraction and 93% TREY extraction confirms that calcite control can materially improve downstream performance.

The work is part of a continuing program, not an isolated test. It links ANSTO's downstream hydrometallurgy with the upstream beneficiation work being undertaken in Finland through the European Union-funded REMHub program. The Company intends to progressively combine these results into an integrated process route and extend the downstream program to a bench-scale MREC product.

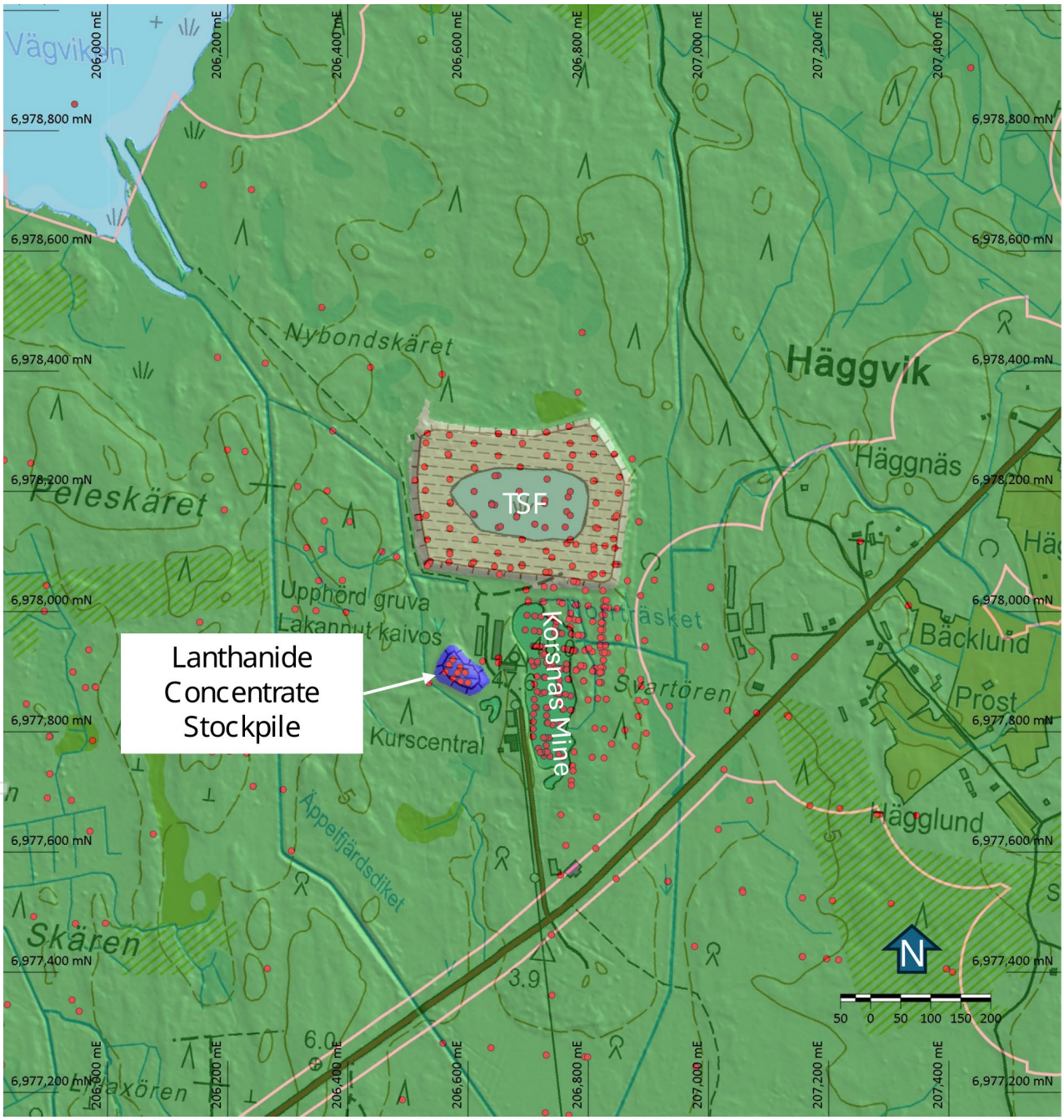

Figure 1: Location of the Korsnäs lead mine and historical lanthanide concentrate stockpile from which the ANSTO sample was sourced. The concentrate was produced by Outokumpu between 1965 and 1972. Most of the stockpiled concentrate remains on site. Coordinate grid: ETRS-TM35FIN / EPSG:3067, metres.

ANSTO Progress Report #2 - calcite removal and acid bake

ANSTO's Progress Report number 2, dated 14 August 2026, reports a bench-scale calcite-removal leach followed by acid bake and water leaching of the calcite-free feed. The test sequence was designed to determine whether removal of calcite would improve rare earth extraction, possibly by reducing formation of calcium sulphate phases that may trap rare earths or by increasing acid dose relative to acid consumers.

Calcite-removal test

The historical concentrate was leached with hydrochloric acid. Calcium extraction of 69% was interpreted by ANSTO as close to complete calcite removal. Phosphorus extraction was only 0.02%, indicating that apatite and monazite were not materially leached under these conditions.

The pre-leach increased TREY grade from 2.3 wt% in the as-received feed to 3.9 wt% in the calcite-free residue - a relative uplift of approximately 70% - while reported rare earth losses were generally 0-2% and at or close to analytical detection limits.

Acid bake/water-leach test on calcite-free feed

The calcite-free residue was then tested under the same acid-bake and water-leach conditions used for the earlier direct-bake test: The results are bench-scale extraction results and are not plant recoveries or production forecasts.

Element / group	Direct bake	Calcite-free feed	Improvement
Praseodymium	88%	94%	+6 pp
Neodymium	83%	92%	+9 pp
Magnet rare earths	83%	92%	+9 pp
TREY	86%	93%	+7 pp
Terbium	49%	69%	+20 pp
Dysprosium	43%	66%	+23 pp
Yttrium	43%	75%	+32 pp

Note: pp = percentage points. Magnet rare earths comprise praseodymium, neodymium, terbium and dysprosium.

Calcite removal improved extraction across the rare earth suite

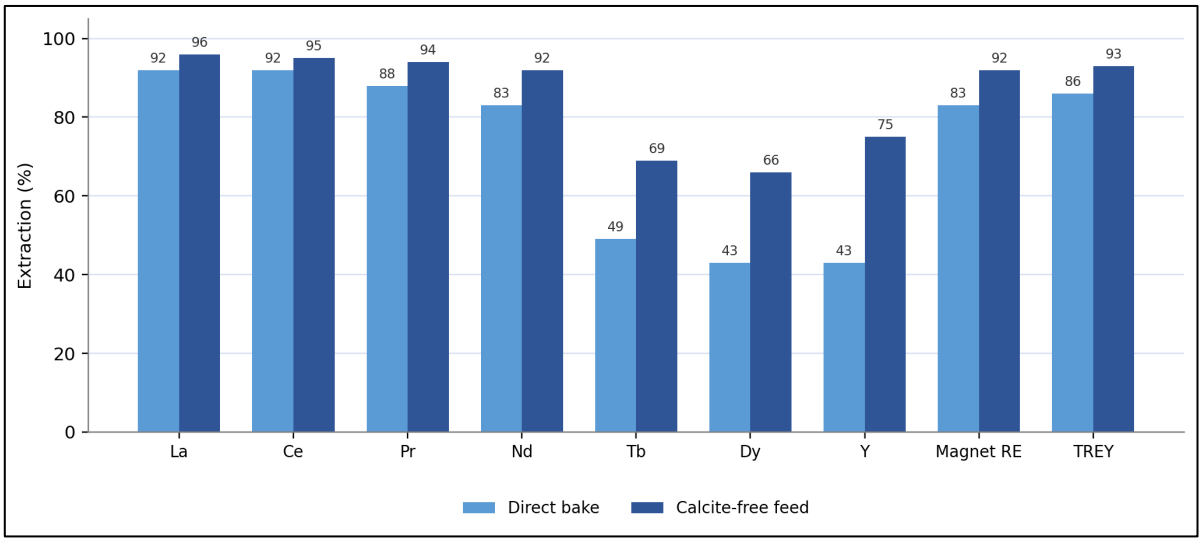

Figure 2: ANSTO solids-based extraction results for the direct bake and the acid bake/water leach of calcite-free feed. Source: ANSTO Progress Note 2, 14 August 2026.

Light rare earth extraction from calcite-free feed was high: lanthanum 96%, cerium 95%, praseodymium 94% and neodymium 92%. The improvement was most pronounced for the heavy rare earth indicators terbium, dysprosium and yttrium. ANSTO considers that reduced formation of gypsum ($CaSO_4$) may have limited the trapping or adsorption of rare earths and made more acid available to attack rare earth-bearing monazite. Further test work is required to confirm the mechanism.

Potential to reduce chemical calcite removal

The current result used hydrochloric acid to remove calcite and prove the effect of calcite control. ANSTO has recommended comparing chemical removal with physical separation methods, with the objective of minimising cost, maintaining high calcite rejection and low rare earth losses, and assessing potential acid recycle.

GTK-Mintec has already demonstrated that wet high-gradient magnetic separation (HGMS) can upgrade both allanite-dominant and apatite-monazite-dominant Korsnäs hard-rock material. For reference, at 0.5 Tesla the previously reported HGMS tests achieved an 84% TREO head-grade upgrade at 85% TREO recovery for Type 1 allanite-dominant material and a 129% TREO head-grade upgrade at 74% TREO recovery for Type 2 apatite-monazite-dominant material (refer ASX announcement dated 7 April 2026).

As calcite is non-magnetic, the Company considers this established beneficiation pathway a logical non-chemical option to investigate for rejection of calcite ahead of hydrometallurgy. This will be evaluated on lanthanide concentrate samples as well as hard-rock material as a potential method to reduce calcite in Korsnäs REE concentrates to both increase REE recoveries and reduce acid usage.

Pathway towards bench-scale MREC product

The ANSTO work has moved the downstream program from mineralogical interpretation, through direct extraction, to a demonstrated pre-treatment improvement. The next objective is to convert the emerging leach route into a purified rare earth solution and then precipitate a MREC sample. MREC is a standard intermediate product that can be supplied to downstream separation facilities for the production of individual rare earth products.

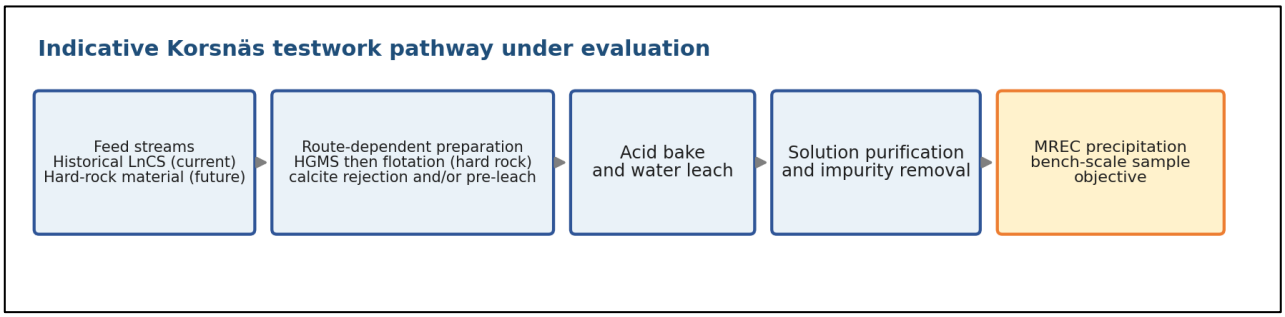

Figure 3: Indicative Korsnäs testwork pathway under evaluation. The sequence and unit operations may change as test work progresses.

Next steps

- Investigate pre-leach and alternative post-leach options aimed at approaching complete light and heavy rare earth extraction;
- Optimise calcite removal, including acid consumption, acid recycle, rare earth losses and comparison with physical separation options such as HGMS;
- Develop impurity-removal steps, with particular attention to aluminium, iron, silicon, uranium and thorium;
- Produce and characterise a bench-scale MREC sample from a purified rare earth-bearing solution; and
- Apply the preferred route to fresh concentrate generated from the REMHub hard-rock beneficiation program.

The latest metallurgical advance at Korsnäs follows the Company's 21 July 2026 announcement that soil geochemistry confirmed a strong REE response over the known KR-316 mineralised corridor and identified a new undrilled eastern anomaly, further supporting the project's exploration potential. Metallurgical development is progressing through complementary programs. ANSTO is evaluating downstream hydrometallurgical treatment of the historical lanthanide concentrate, while the REMHub program, involving GTK Mintec and the University of Oulu's Oulu Mining School, is evaluating upstream HGMS and flotation beneficiation of hard-rock material. The longer-term objective is to combine the preferred beneficiation and hydrometallurgical steps into a credible process route, with the aim of producing a mixed rare earth carbonate (MREC) product.

Korsnäs Mineral Resource context

The 100%-owned Korsnäs project has a previously reported Inferred Mineral Resource of 15.4 Mt at 1.00% TREO, using a lower reporting cut-off grade of 0.5% TREO (refer ASX announcement dated 16 April 2026). The Mineral Resource relates to hard-rock mineralisation and is separate from the historical lanthanide concentrate tested by ANSTO.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the 16 April 2026 announcement and that all material assumptions and technical parameters underpinning the Mineral Resource estimate continue to apply and have not materially changed.

Background information

ANSTO is a leading Australian government-owned research organisation with more than 50 years' experience in minerals processing and extractive metallurgy. Through its Minerals business unit, ANSTO has developed and optimised flowsheets for complex and critical-metal systems, including rare earth elements, supporting projects in Australia and internationally.

ANSTO's work spans mineralogical characterisation, beneficiation, hydrometallurgical test work and pilot-scale process development, with a focus on practical and technically robust processing solutions.

About European Resources Limited

European Resources is focused on discovery and development of its 100%-owned critical-minerals project at Korsnäs in Finland and its base and precious metals projects in Slovakia. The Company is positioned to benefit from increasing European demand for secure, locally sourced critical minerals.

Competent Person Statement

The information in this report that relates to metallurgical test work is based on, and fairly represents, information compiled by Dr Mark Steemson, who is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM) and a Competent Person as defined in the 2012 Edition of the JORC Code. Dr Steemson is a consultant to the Company and has over 30 years of experience in mineralogical studies, mineralisation characterisation and metallurgical test work. Dr Steemson has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken, to qualify as a Competent Person as defined in the JORC Code. Dr Steemson consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Cautionary Statement

This announcement includes forward-looking statements and opinions based on the Company's current expectations and beliefs. Such statements are subject to risks, uncertainties and assumptions. Actual results may differ materially from those expressed or implied. Factors that may cause such differences include project, geological, metallurgical, regulatory, market and operational risks. The Company undertakes no obligation to update forward-looking statements, except as required by law.

Authorisation

This announcement has been authorised for release to the market by the Executive Directors.

No new Exploration Results, Mineral Resources or Ore Reserves are reported in this announcement.

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Definitions: TREY = total rare earths plus yttrium. TREO = total rare earth oxides. Magnet rare earths = praseodymium, neodymium, terbium and dysprosium. MREC = mixed rare earth carbonate.

pjn12995

JORC Code, 2012 Edition - Table 1

Korsnäs Rare Earth Project, Finland - Metallurgical Test Work on Historical Lanthanide Concentrate

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Korsnäs Project response
Sampling techniques	Nature and quality of sampling, including specialised industry-standard measurement tools; measures taken to ensure representivity; and aspects material to the Public Report.	This announcement relates to laboratory-scale metallurgical test work on historical lanthanide concentrate stockpile material from Korsnäs, not new in situ exploration sampling. ANSTO received 40 bags totalling about 340 kg from CORE Resources on behalf of the Company. Three split bags were combined to produce the EuR-1 composite used for mineralogy, pre-leach and acid-bake/water-leach test work. The material is considered suitable for early-stage downstream metallurgical evaluation of the historical concentrate.
Drilling techniques	Drill type and details, including core diameter, reverse circulation, auger, sonic or other relevant drilling method.	Not applicable. No new drilling has been undertaken or reported in this metallurgical update.
Drill sample recovery	Method of recording and assessing core and chip recoveries; measures taken to maximise sample recovery and representivity; and any relationship between recovery and grade.	Not applicable. No new drill sample recovery data are reported.
Logging	Whether core and chip samples have been geologically and geotechnically logged to support Mineral Resource estimation, mining and metallurgical studies; whether logging is qualitative or quantitative; and the relevant total length and percentage logged.	Not applicable. No new geological logging data are reported. Sample descriptions are included only to provide metallurgical context for the historical concentrate material.
Sub-sampling techniques and sample preparation	For core and non-core samples, the splitting method, wet or dry preparation, appropriateness of preparation, quality-control procedures and whether sample sizes are appropriate to the material grain size.	ANSTO combined three approximately 20 kg split bags from the original material to prepare the EuR-1 composite, which was riffle split into subsamples. The reported direct and calcite-free bake tests used 50 g dry solids.
Quality of assay data and laboratory tests	Nature, quality and appropriateness of assaying and laboratory procedures; instrument parameters where relevant; and quality-control procedures and	The work comprises laboratory-scale mineralogical and hydrometallurgical evaluation by ANSTO. Head assays used XRF and lithium-tetraborate fusion with ICP-MS; earlier mineralogy used QEMSCAN and XRD. Feed, residue and liquor from the reported tests were analysed using ICP-MS and ICP-OES. Extraction reporting follows ANSTO's laboratory mass-balance approach, with solids-based extractions used as the principal

Criteria	JORC Code explanation	Korsnäs Project response
	acceptable accuracy and precision.	basis for the calcite-free bake results. The procedures are considered appropriate for this stage of assessment.
Verification of sampling and assaying	Verification of significant results by independent or alternative personnel; twinned holes; documentation of primary data and storage; and any assay adjustment.	Results are based on ANSTO laboratory outputs and have been reviewed by the Company and the Competent Person for metallurgy. No independent external audit of the analytical results is reported at this stage. No drillhole intersections are reported and no assay adjustments are reported.
Location of data points	Accuracy and quality of surveys used to locate drilling, trenches, workings and other locations; specification of the grid system; and adequacy of topographic control.	The material tested is historical concentrate stockpiled in the Korsnäs project area; no new collar, trench or surface sample coordinates are reported. The announcement includes a map showing the Korsnäs lead mine and historical concentrate stockpile. The coordinate grid is ETRS-TM35FIN / EPSG:3067, in metres.
Data spacing and distribution	Data spacing for reporting Exploration Results; whether spacing is sufficient for continuity and classification; and whether sample compositing has been applied.	Not applicable to Exploration Results or Mineral Resource estimation. The work is metallurgical test work on a composite historical concentrate sample. The EuR-1 composite was used for laboratory-scale test work only.
Orientation of data in relation to geological structure	Whether sampling orientation achieves unbiased sampling of possible structures and whether drilling orientation introduced material bias.	Not applicable. No new geological sampling or drilling-orientation data are reported.
Sample security	Measures taken to ensure sample security.	Samples submitted to ANSTO were handled through standard commercial transport and laboratory chain-of-custody procedures. No sample security issues are known to the Company.
Audits or reviews	Results of audits or reviews of sampling techniques and data.	The metallurgical program and reported outcomes have been reviewed internally by the Company and by the Competent Person for metallurgy. No independent external audit is reported.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Korsnäs Project response
Mineral tenement and land tenure status	Type, reference name/number, location and ownership, including agreements or material third-party issues; security of tenure and known impediments to obtaining a licence to operate.	European Resources has a 100% interest in Bambra Oy, a company incorporated in Finland. The Korsnäs project tenure is secured by the following 100%-owned tenements: ML2021:0019 Hägg; ML2025:0020 Hägg 2; ML2024:0087 Hägg 3; and ML2024:0103 Petalax. Finnish legal, environmental and permitting requirements apply as the project advances and are managed with specialist advisers.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	Previous operators undertook historical exploration, mining and processing at Korsnäs, including Outokumpu's production of a lanthanide concentrate between 1965 and 1972. The current announcement reports ANSTO metallurgical test work on that historical concentrate and refers to prior GTK-Mintec beneficiation results on modern hard-rock samples for testwork context only.
Geology	Deposit type, geological setting and style of mineralisation.	Korsnäs is a rare earth project in western Finland where rare earth elements are principally associated with apatite, monazite and allanite within a carbonatite-skarn system. The ANSTO work relates to historical concentrate derived from this mineralisation. Earlier mineralogy identified monazite as the dominant rare earth host in the concentrate, with apatite also material to the rare earth inventory; principal gangue includes calcite, pyrite, barite, chlorite and quartz.
Drill hole Information	Summary of information material to understanding Exploration Results, including collar location, elevation, dip, azimuth, downhole length, interception depth and hole length; or an explanation of justified exclusion.	Not applicable. No new drillhole information is reported.
Data aggregation methods	Weighting and averaging techniques, grade truncations, aggregation of short high-grade and longer low-grade intervals, and assumptions used for metal-equivalent values.	Not applicable to Exploration Results. No intercepts or aggregated exploration grades are reported. The announcement reports bench-scale metallurgical extractions and a pre-leach grade change for historical concentrate material. These results are not Mineral Resource estimates, plant-scale recoveries or production forecasts.
Relationship between mineralisation widths and intercept lengths	Relationship between reported widths and drillhole angle, and whether downhole lengths or true widths are reported.	Not applicable. No intercepts are reported.
Diagrams	Appropriate maps, sections and tabulations needed to support significant	A location map shows the Korsnäs lead mine and historical lanthanide concentrate stockpile from which the ANSTO sample was sourced. The grid is ETRS-TM35FIN / EPSG:3067, in metres. A comparison chart presents direct-bake and calcite-free-feed

Criteria	JORC Code explanation	Korsnäs Project response
	discoveries, including plan views and sectional views where relevant.	extraction results. An indicative testwork pathway illustrates planned process development and is explicitly identified as subject to change. No new Exploration Results, drill intersections, Mineral Resources or Ore Reserves are reported.
Balanced reporting	Where comprehensive reporting is impracticable, representative reporting of both low and high results to avoid misleading reporting.	The announcement reports both positive and limiting aspects. It reports 69% calcium extraction, TREY upgrading from 2.3 wt% to 3.9 wt% with generally 0-2% rare earth losses, and improved rare earth extraction after calcite removal. It also states that the work is bench-scale, reagent consumption is high and subject to optimisation, uranium and thorium report strongly to solution, impurity removal is required, and calcite rejection by HGMS has not yet been demonstrated.
Other substantive exploration data	Other material exploration data, including geological, geophysical and geochemical observations, bulk samples, metallurgical results, bulk density, groundwater, geotechnical characteristics and potential deleterious substances.	The calcite-removal leach achieved 69% calcium extraction and increased TREY grade from 2.3 wt% to 3.9 wt%, with generally 0-2% rare earth losses. Acid bake/water leach of calcite-free feed achieved 94% Pr, 92% Nd, 92% combined magnet rare earth and 93% TREY extraction. Terbium, dysprosium and yttrium extraction increased to 69%, 66% and 75%. Uranium and thorium extraction remained greater than 97% and 96%, indicating that impurity removal will be required. The historical-concentrate results are separate from the hard-rock Mineral Resource.
Further work	Nature and scale of planned further work and diagrams showing possible extensions, future drilling areas and interpretations where relevant and not commercially sensitive.	Further work is planned to investigate pre-leach and alternative post-leach options; optimise calcite removal, acid consumption and recycle; compare chemical calcite removal with physical rejection, including dedicated assessment of HGMS; develop aluminium, iron, silicon, uranium and thorium removal; produce and characterise a bench-scale MREC sample; and apply the preferred route to fresh concentrate generated by REMHub hard-rock beneficiation. The flowsheet remains under development and may change as results are received.