ASX ANNOUNCEMENT

28 August 2025

EXPLORATION PLANNED FOR HIGHLY PROSPECTIVE RARE EARTH ELEMENT & URANIUM ASSETS

MRG Metals Limited ("MRG" or "the Company") (ASX: MRQ) is recommencing exploration across its highly prospective rare earth element and uranium licences, following up on excellent first-pass assay results at Adriano.

This follows the Company's 2-billion-tonne Mozambique Heavy Mineral Sands (HMS) Projects now being fully funded through a joint venture with Sinowin Lithium.

With a clear pathway to initial production of 110,000 tonnes per annum of heavy mineral concentrate within the next 12 to 18 months, MRG is now accelerating exploration of its critical minerals and uranium portfolio.

Early exploration work on our 100%-owned Rare Earth Element (REE), Thorium (Th) and Uranium (U) assets in Mozambique — Adriano, Fotinho and Olinga — show they could deliver significant value for shareholders.

Exploration Target Highlights

Adriano 11002:

- 100% of the 42 samples from first pass stream sedimentary sampling at Adriano returned anomalous REE results (refer ASX Announcement 17 October 2024):
    - 74% of the samples returned >1,000ppm TREOs.
    - Highest result being 32,393 ppm TREO (3.24%), confirming high prospectivity.
    - Magnet rare earth oxides (MREO: neodymium, praseodymium, dysprosium and terbium) make up approximately 22% of the TREO in the samples.
    - ZrO2 up to >1.35%, which exceeded the maximum reading of the analytical technique.
    - A mineralogical study is underway and has already confirmed monazite and zircon grains in the panned concentrate.
    - Results showed 16 rare earth oxides.
    - Potential was established for both primary hard rock and alluvial discoveries to be made.
- Follow-Up exploration at Adriano will involve:

- Auger drilling within one area of highly anomalous stream sedimentary REE results, to test for a local alluvial REE deposit.
- Soil sampling, mapping and outcrop sampling on the primary targets generated by exploration to date.
- Mineralogical and metallurgical studies based on findings of the exploration.

Fotinho 11000 and Olinga 11005:
At both the Fotinho and Olinga licences, initial exploration activities will involve stream sedimentary sampling, followed by soil sampling, mapping and outcrop sampling on primary targets generated.

- Based on historical sampling results (Refer ASX Announcement 22 October 2024), we have already identified primary exploration targets in Fotinho project.
- Fotinho sits adjacent and abutting the Adriano Licence, presenting a large, combined drainage catchment of demonstrated REE & TH potential.
- Olinga's U potential is based on elevated uranium/thorium ratios observed in geophysical surveys.

Each of the above Projects represent a strong opportunity for the Company to diversify its value proposition.

The Joint Venture (JV) with Sinowin Lithium continues to progress as though the Corridor Central and Corridor South licences were already transferred into the JV entity. While final Mozambican Government approval of the formal transfer is still pending, both parties have continued to progress the JV.

Although the first US$3 million tranche of Sinowin's US$6 million commitment has not been formally deposited, a significant proportion of these funds have effectively been applied to advance pre-production activities, with Sinowin already contributing an estimated US$1 million to date. The JV is therefore continuing to move towards production, with a more detailed update to shareholders to be provided shortly.

In parallel, MRG is focused on building shareholder value by advancing its other high-potential assets, ensuring progress across the portfolio while working closely with our HMS joint venture partner.

MRG Metals Chairman, Mr Andrew Van Der Zwan said:

"The recommencement of exploration across our rare earth element and uranium portfolio represents another major step forward for MRG. With our Heavy Mineral Sands projects fully funded and a clear pathway to production, we are now unlocking the additional upside in our critical mineral and uranium assets."

"Importantly, early work at Adriano has already returned anomalous assay results in every sample of the 42 sediment stream samples taken, confirming the high rare earth potential across these licences, suggesting the possibility of a new mineral district discovery. This strategy positions MRG to deliver significant long-term value for shareholders while diversifying our exposure to commodities central to the global energy transition."

Details of the exploration activities undertaken to date

MRGs adjacent REE ELs Adriano (11002L; 19,777.14 ha) and Fotinho (11000L; 19,865.18 ha), in combination with the Olinga EL (11005L; 16,534.47 ha) (**refer Figure 1**), were generated based on highly elevated Th (in the case of Fotinho and Adriano (**refer Figure 3**) and U (in the case of Olinga; **refer Figure 4**) from regional aerial radiometric survey work.

On the ground historical exploration (not done by MRG), with some limited sampling, happened within the Fotinho EL area (**refer ASX Announcement 11 May 2022, Figure 2**). This historical exploration and sampling clearly showed the presence of Monazite in some of the sampled material, as well as highly elevated REE grades (**refer ASX Announcement 11 May 2022**). Thorium (Th) grades as high as >1,000 ppm Th in a soil and heavy Mineral Concentrate (HMC) sample and 559 ppm in a rock sample from within Fotinho were reported from X-ray fluorescence (XRF) analysis, while X-ray diffraction (XRD) results showed the clear presence of Monazite in the samples from the REE area (**refer ASX Announcement 11 May 2022**).

Fotinho and Adriano EL's include both hard-rock and recent sediments, covering areas of high-grade metamorphic gneisses, undifferentiated granites and granitoid rocks within the Mozambique Metamorphic Province and sediments from the Mozambique Basin sediments (**refer Figure 1, insert**).

A re-interpretation and imaging of the regional aerial magnetic and radiometric survey data was done by MRG for all three (3) licences. For Adriano and Fotinho it shows continuation of Th anomalism westward from Adriano into the Fotinho licence, with very discrete, high intensity Th anomalies evident in Adriano and Fotinho demonstrating high potential for discovery (**refer Figure 3**).

A drainage pattern analysis was conducted for all three (3) licences (**refer Figures 3 and 4**). The data was used to plan a stream sedimentary sampling program at Adriano. Reported assays from the MRG stream sedimentary sampling program from Adriano (**refer ASX Announcement 17 October 2024**) returned very high REO, MREO and Th results (**refer Figure 2**):

- 3.24%, 3.12% and 2.70% TREO respectively;
- Nd+Pr oxides > 350ppm, 21 of the 42 samples exceeded the MREO target with 8 samples >1000ppm; Highest Pr2O3 >1,170ppm (0.117%);
- Dy+Tb oxides >35ppm, 4 of the 42 samples exceed the MREO target and with 3 of these at >100ppm; and

- ZrO2 >13,500ppm (>1.35%), which exceeded the maximum reading of the analytical technique.

Details of the planned exploration activities

The exploration activities that will take place on Adriano, Fotinho and Olinga are as follows:

- Stream sedimentary sampling programs are planned for Fotinho and Olinga (c 40 - 50 samples for each licence) based on the drainage pattern analyses done (**refer Figures 3 and 4**).
- Existing primary mineralisation targets at Fotinho and Adriano will be tested via soil and outcrop sampling programs (**refer Figure 3**).
- The very high grade REE stream sedimentary sampling area at Adriano Auger (**refer Figure 2**) will be tested via hand auger drilling for an alluvial REE deposit.
- Mineralogical and metallurgical studies will follow.

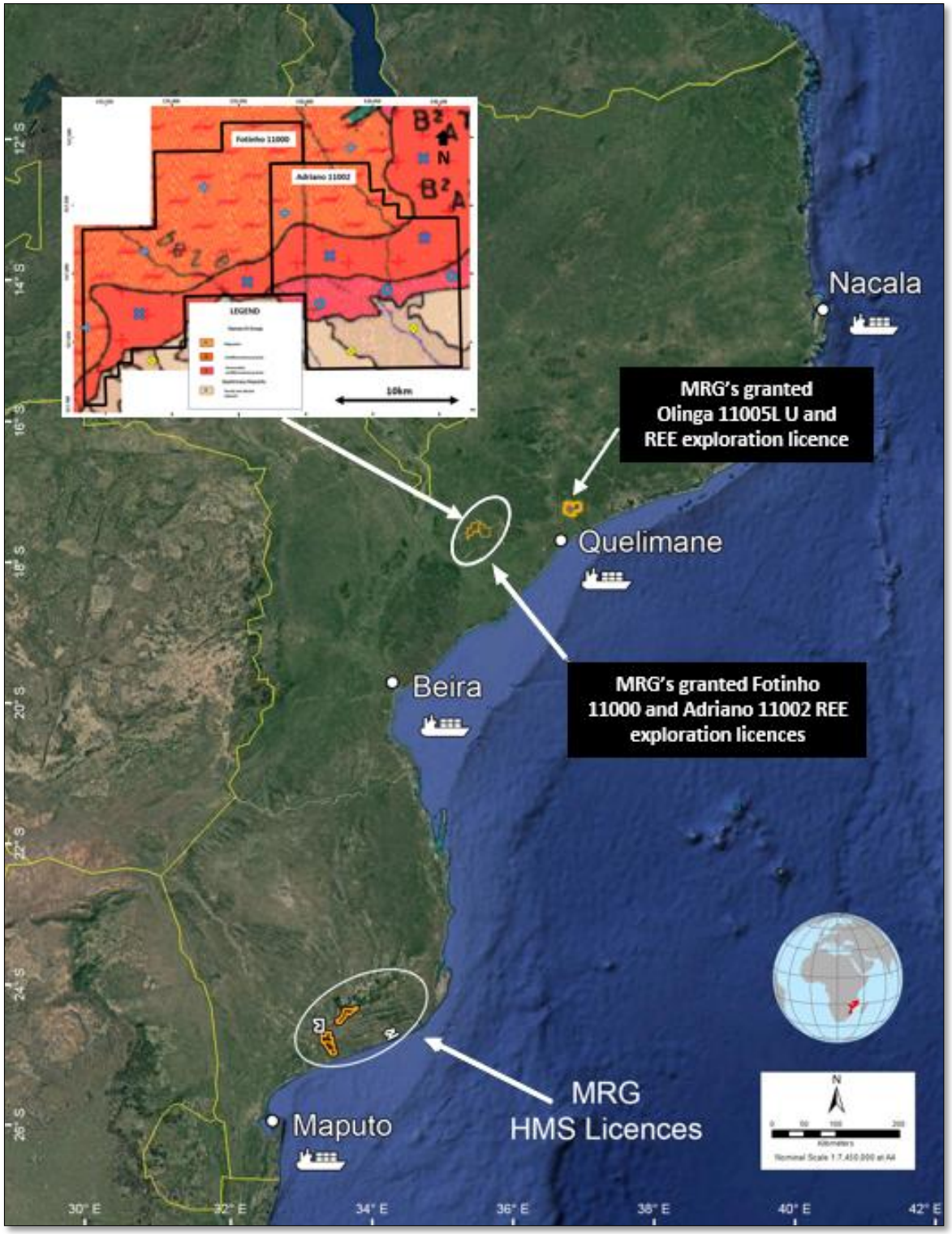

Figure 1: *Map of the location of MRG's Adriano 11002L, Fotinho 11000 and Olinga 11005L Rare Earth Exploration licence (EL) in relation to the port cities of Beira and Quelimane.*

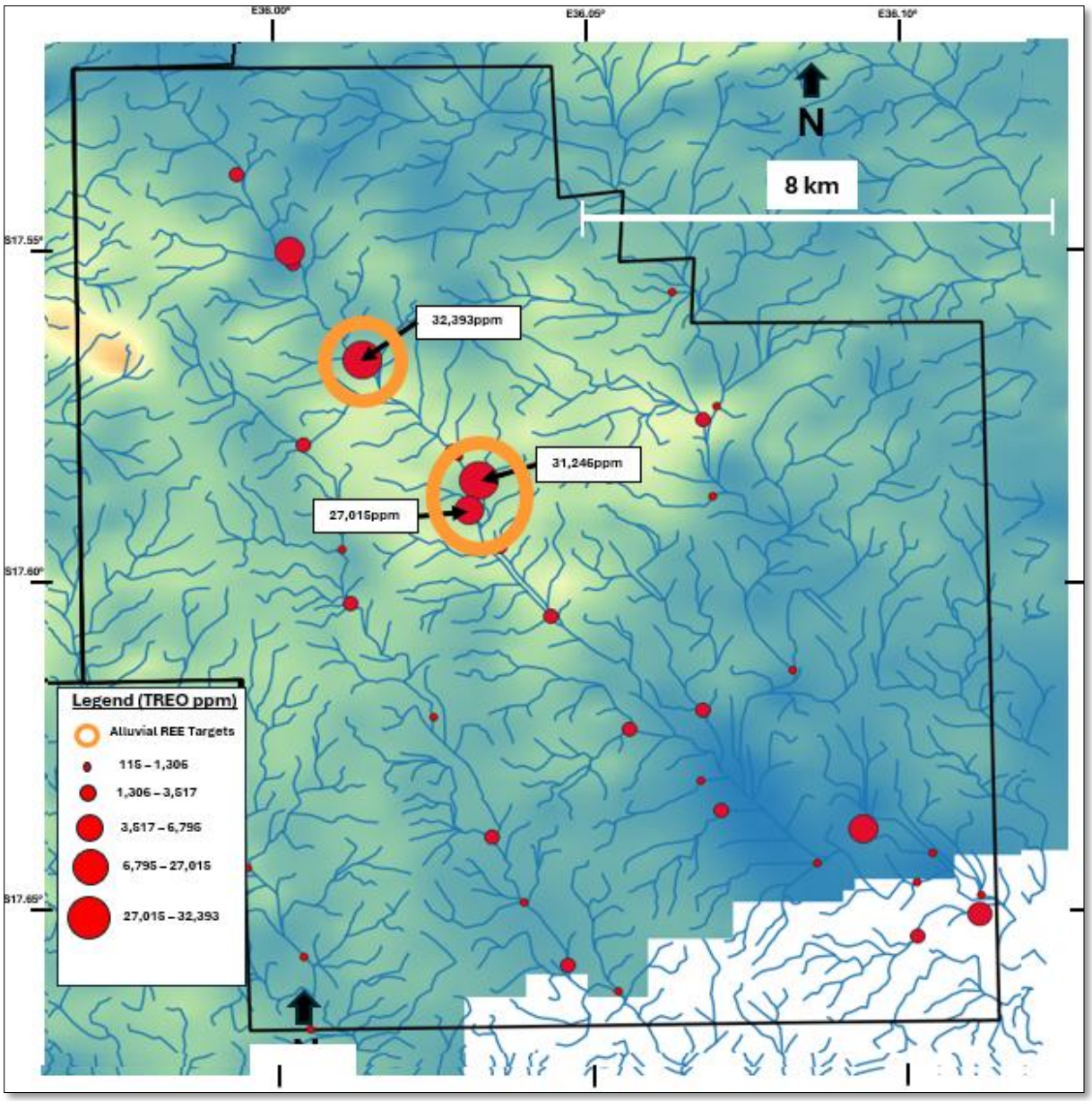

Figure 2: *Map showing the alluvial REE targets (in orange) based on recent stream sedimentary total rare earth oxide (REO) grades from Adriano shown in red (**refer ASX Announcement 17 October 2024**). Image in Lat Long degree decimal degree.*

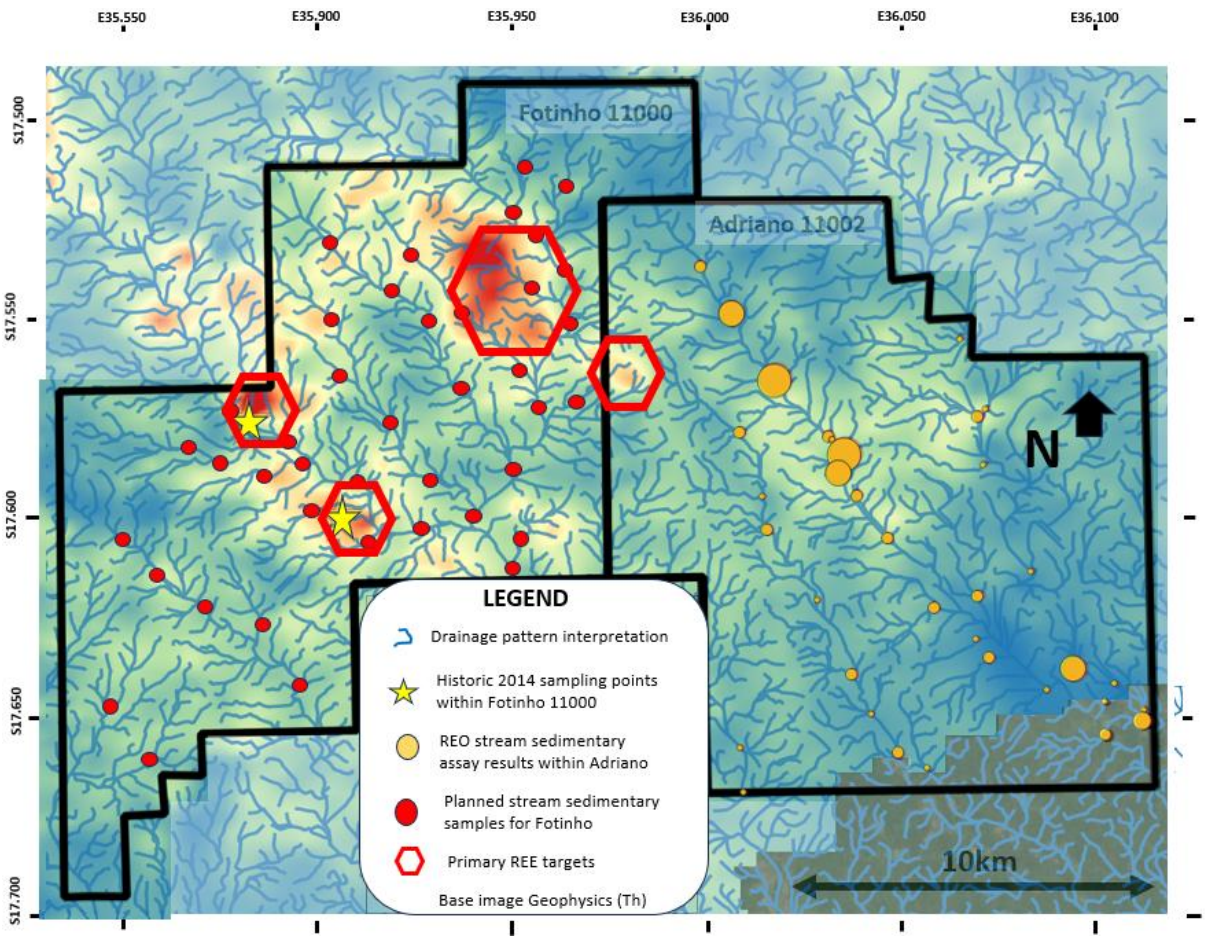

Figure 3: *Map showing the adjacent Fotinho 11000 and Adriano 11002 licences, with the drainage pattern analyses, the stream sedimentary sampling completed within Adriano (orange circles), the planned stream sedimentary sampling within Fotinho (red circles, and the primary REE targets based on the aerial geophysics radiometric Th data. Base image SRTM of the two licences, image in Lat Long degree decimal degree.*

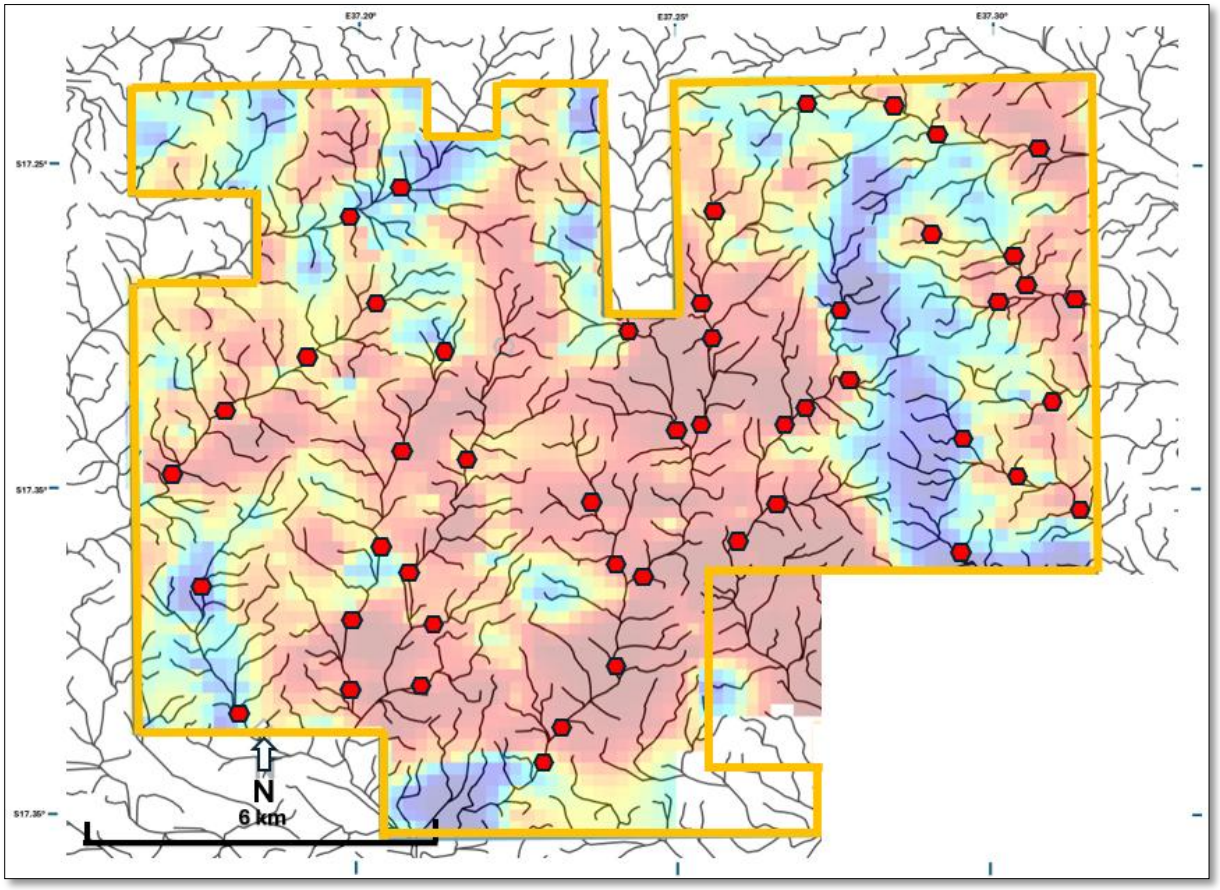

Figure 4: *Map showing the drainage pattern interpretation for Olinga 11005, shown on the U response for the airborne radiometric spectrometer data of a regional national airborne geophysical survey. The red dots represent the planned stream sedimentary sampling points (c 50 samples planned). Image in Lat Long degree decimal degree.*

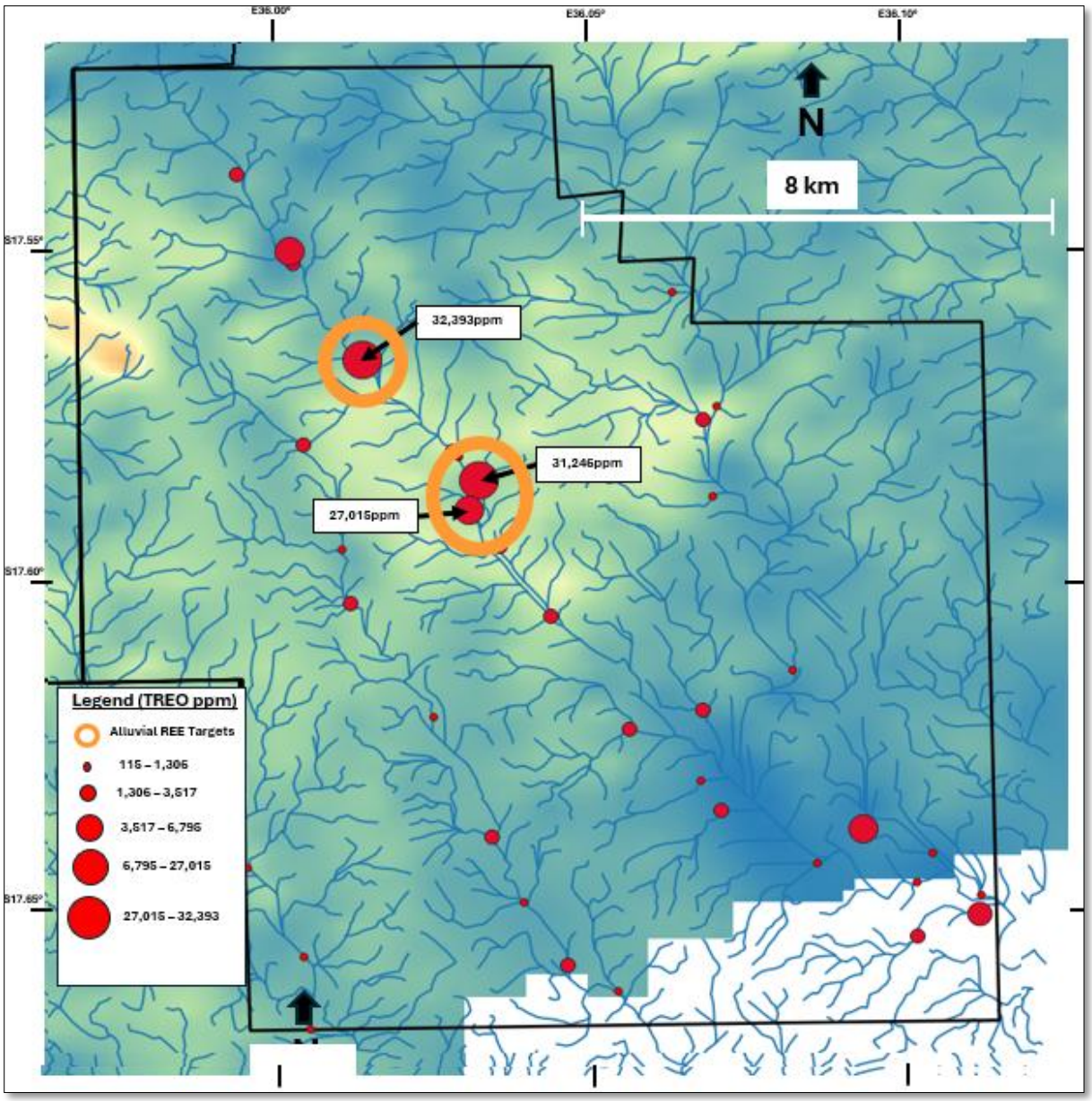

Figure 6: *Map showing the Alluvial REE targets (in orange) based on recent stream sedimentary total rare earth oxide (REO) grades from Adriano shown in red (**refer ASX Announcement 17 October 2024**). Image in Lat Long degree decimal degree.*

Competent Persons' Statement

The information in this report, as it relates to Mozambique Exploration Results is based on information compiled and/or reviewed by Mr JN Badenhorst, who is a member of the South African Council for Natural Scientific Professions (SACNASP) and the Geological Society of South Africa (GSSA). Mr Badenhorst is a consultant of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which has been undertaken 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". Mr Badenhorst consents to the inclusion in this report of the matters based on the information in the form and context in which they appear.

Authorised by the Board of MRG Metals Ltd.

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