Multiple Outcrops and Saprolitic Clay Formations Discovered at Campo Grande Rare Earth Project

Environmental and land access authorisation received for inaugural drilling

Highlights

- Multiple outcrops and saprolitic rare earth sand and clay formations have been discovered across targeted tenements.
- Environmental and land access authorisation has been received, allowing the Company to commence its inaugural drilling across the targeted tenements.
- Key exploration targets have been identified through regional geophysics studies, which have helped guide the planning of the drilling campaign.
- Several drilling contractors have assessed the project site and submitted their proposals, demonstrating their enthusiasm to contribute to the project's progress.

Equinox Resources Limited (ASX: EQN) ("Equinox" or "Company") is pleased to advise that it has secured the necessary environmental and land access authorisation to commence drilling at its recently established "**Campo Grande**" Rare Earths Project, located in the rapidly developing rare earth elements (REE) province in Bahia, Brazil. The Campo Grande Project covers an area of 1,755.2 km² and the Company has strategically staked areas within the region for future conversion into commercial operations, avoiding environmentally sensitive areas in the region in order to de-risk the project with regard to obtaining future mining approvals.

Equinox's CEO, Zac Komur, commented:

"Our exploration team has been working tirelessly in the field to lay the groundwork for our upcoming drilling campaign. They have uncovered multiple outcrops, identified through geophysical anomalies, across our highly prospective tenements. In preparation for drilling, the team has hosted several contractors and engaged with landowners, effectively setting the stage for the next phase of our project.

"As we evaluate drilling proposals, our focus remains sharply on safety and productivity. We are committed to partnering with a team whose expertise and innovative approaches will maximise the efficiency of our drilling campaign. This dedication to productivity is crucial for accelerating our exploration efforts and unlocking the vast potential within our tenements.

"Our tenement team has meticulously worked to complete all necessary environmental steps, ensuring we are fully prepared to commence drilling on the project. Their diligence underscores our commitment to responsible exploration.

"The region is rapidly becoming recognised as an epicentre for rare earth elements, thanks to its unique mineralisation profile that includes some of the highest reported hard rock grade, monazite sand, and ionic adsorption clay. This complex weathering profile illustrates the gradual transition of REE elements from the host hard rock to sand and then to clay over millions of years. Such diversity opens up a wide array of downstream opportunities for us to pursue and bolsters our confidence in the project's potential."

Geology and Mineralisation

The Campo Grande Project is situated within the Archean-aged (approximately 2.5 to 4 billion years ago) Jequié Complex, located in the northeastern part of the São Francisco Craton, Brazil. This region was subject to Neoarchean tectonic cycles between 2.6 and 2.7 billion years ago, closely associated with the emergence of the Volta do Rio Plutonic Suite (VRPS).

The VRPS, which intruded into the Jequié Complex around 2.6 billion years ago, forms a significant NNW-SSW (north-northwest to south-southwest) oriented batholith. This batholith stretches over 200 km in length and reaches up to 20 km in width.

Key constituents of the VRPS encompass fine-grained, high-potassium (high-K) calc-alkaline, ferroan (A-type) granitoids. These granitoids are notable for their polygonal granoblastic texture, a result of granulite facies metamorphism. The suite also includes bimodal Rare Earth Element (REE)-enriched leucogranite orthogneiss and contemporaneous intermediate to ultramafic units.

The leucogranite orthogneiss within the VRPS showcases a diverse mineral composition, including amphibole, hypersthene, magnetite, as well as pegmatites and aplites. It is characterized by REE mineralisation found in accessory minerals such as fluorite, monazite, and chevkinite. These minerals are distributed within disseminations, pegmatites, and in association with smoky quartz.

Simultaneously, the intermediate to ultramafic units present, comprising ultramafic to gabbroic enclaves, suggest ultra-high-grade, potentially layered, cumulates rich in monazite, marking the primary REE deposits of the region. Within the leucogranites, intermediate layered hornblendites and monzonites have been identified. These rocks contain accessory REE minerals in disseminated form and in concordant horizons of varying thickness.

Field reconnaissance and research has identified three distinct types of mineralisation in the neighboring region:

- Ionic Adsorption Clay (IAC) mineralisation – 510Mt grading at 1,513 ppm[1]
- Saprolite-monazite sand enriched rare earth mineralisation – 25.2Mt Resource at 10,022ppm TREO[1]
- High-grade Rare Earth – Niobium – Scandium hard rock mineralisation – with an average sample grade of 32.7% TREO[1]

Equinox's upcoming drilling program will commence with an auger drilling team, as this method is cost-effective and allows for rapid deployment and mobility across the vast terrain. Auger drilling will be conducted at 200-metre intervals, with limited drilling in valleys and foothills aimed at potentially accessing deeper, high-grade zones.

A subsequent Reverse Circulation (RC) drilling campaign will focus on targeted anomalies identified through airborne radiometric surveys, specifically thorium and ternary anomalies, which have been confirmed in neighboring projects. The exploration strategy includes tracing and mapping highly radioactive rock sequences in the field via gamma aerial geophysics, targeting Uranium and Thorium as pathfinder markers for Rare Earth Element (REE) mineralisation.

[1] Refer to Brazilian Rare Earths Limited Prospectus dated 13 November 2023. The Campo Grande Project's proximity to the Rocha da Rocha Rare Earths Project does not guarantee the prospectivity of the Campo Grande Project.

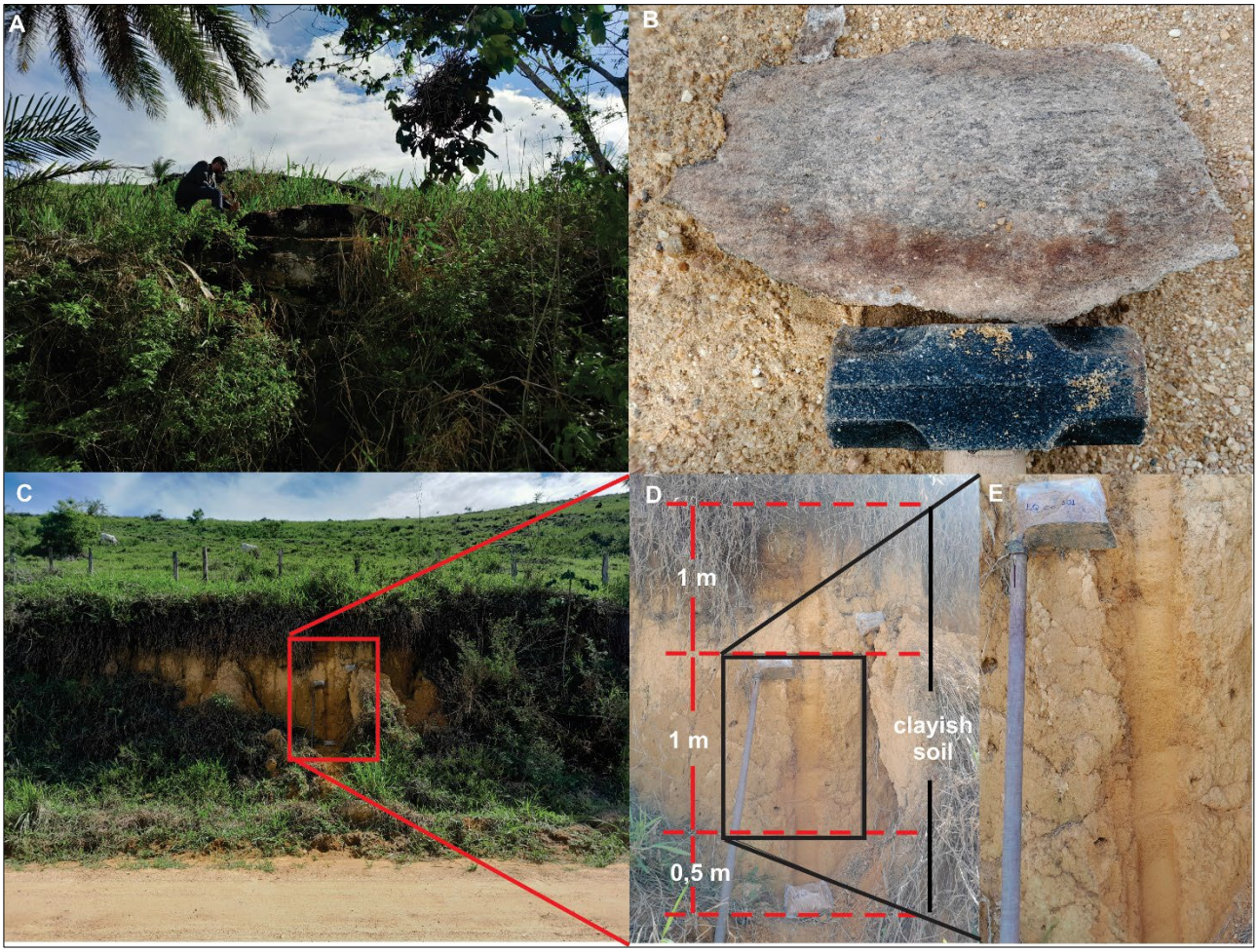

Figure 1: A) Leucogranite ortogneiss outcrop in anomalous region. B) Leucogranite ortogneiss detail. C) Clayish soil in road cut close to outcropping. D) Channel sampling. E) Clayish soil detail.

Figure 2: A) Leucogranite ortogneiss outcrop in anomalous region. B) Leucogranite ortogneiss detail. C) Clayish soil sampling.

Figure 3: A) Outcrop in road cut with clayish soil (top) and saprolite (bottom) in anomalous region. B) Channel sampling detail.

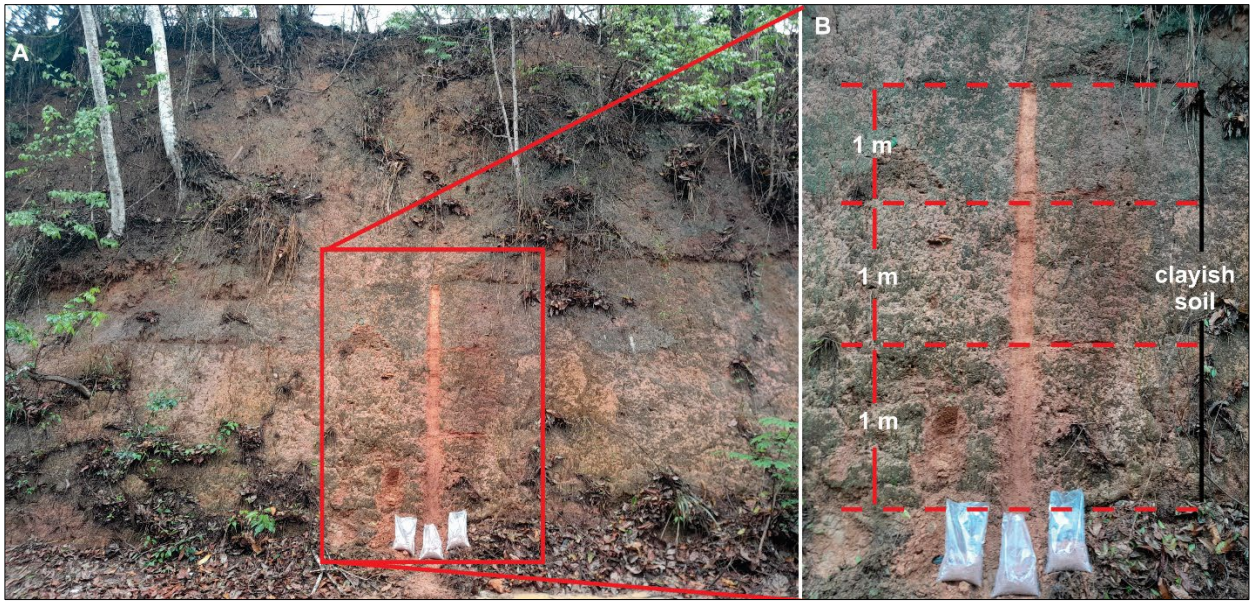

Figure 4: A) Road cut with clayish soil in anomalous region. B) Channel sampling detail.

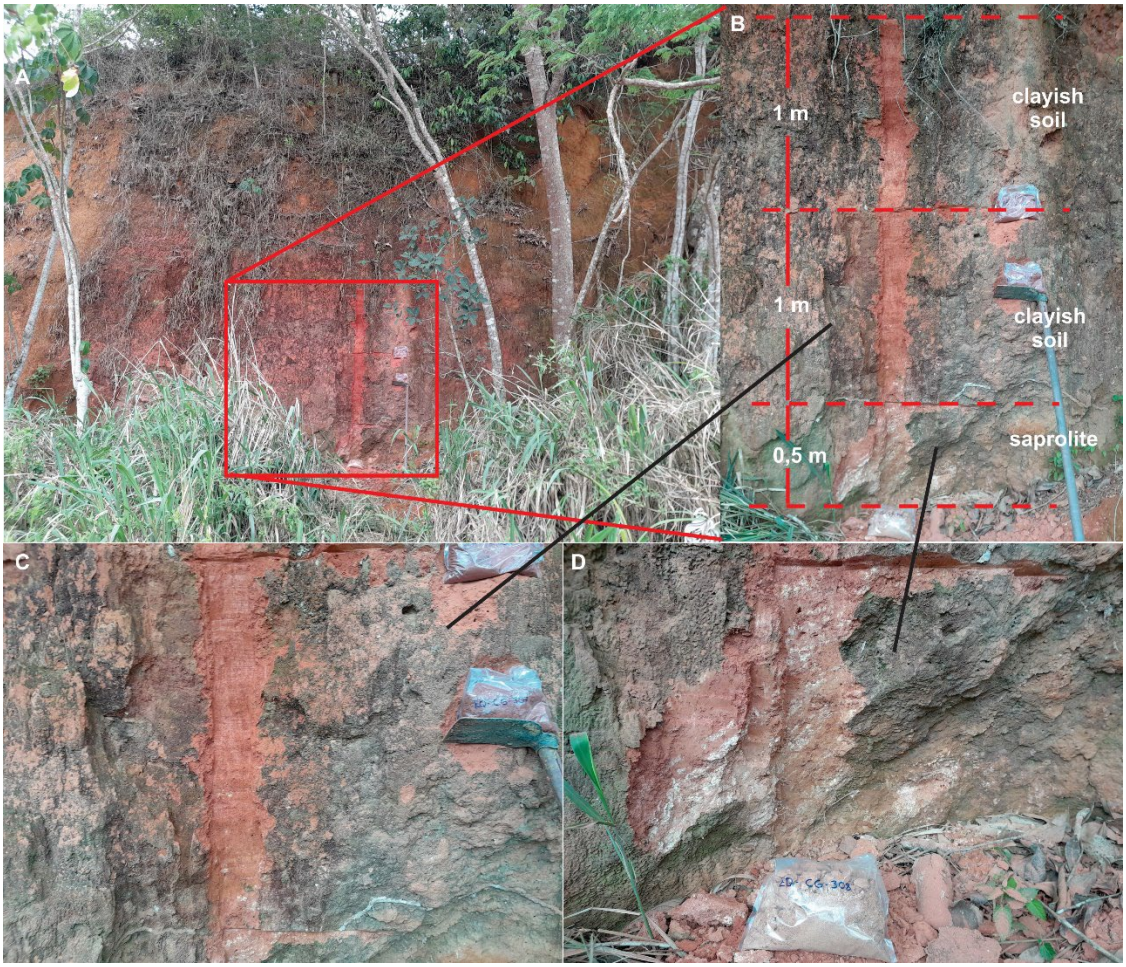

Figure 5: A) Outcrop in road cut with clayish soil (top) and saprolite (bottom) in anomalous region. B) Channel sampling detail. C) Clayish soil detail. D) Saprolite detail.

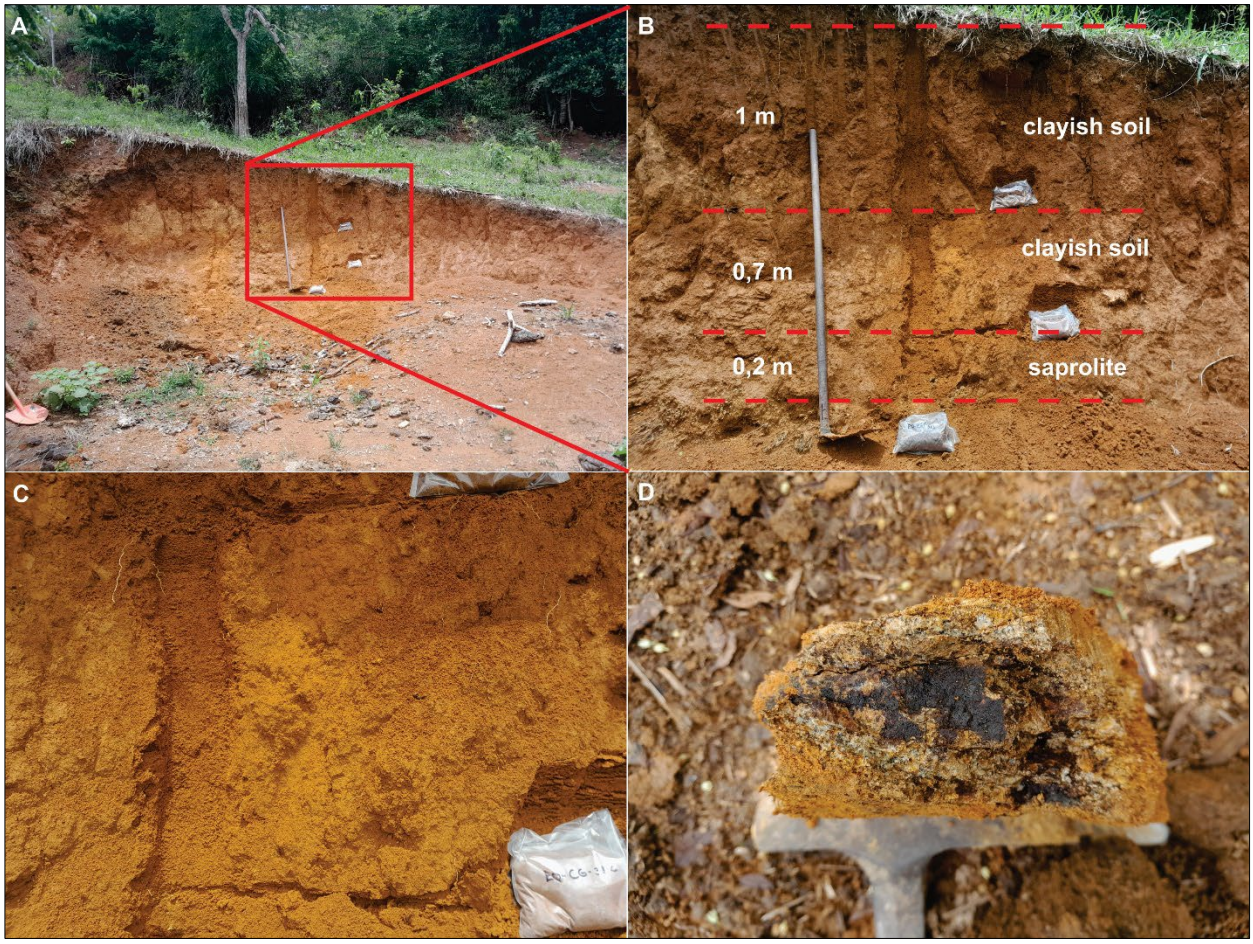

Figure 6: A) Outcrop with clayish soil (top) and saprolite of mafic rock (bottom) in anomalous region. B) Channel sampling detail. C) Clayish soil detail. D) Saprolite detail.

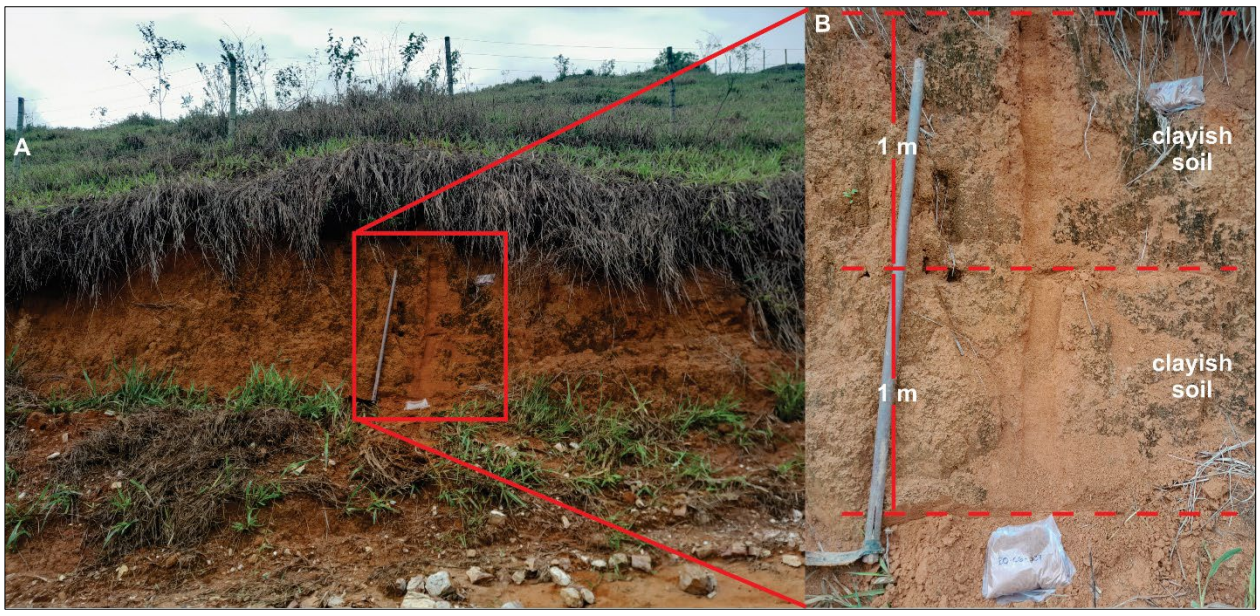

Figure 7: A) Road cut with clayish soil in anomalous region. B) Channel sampling detail.

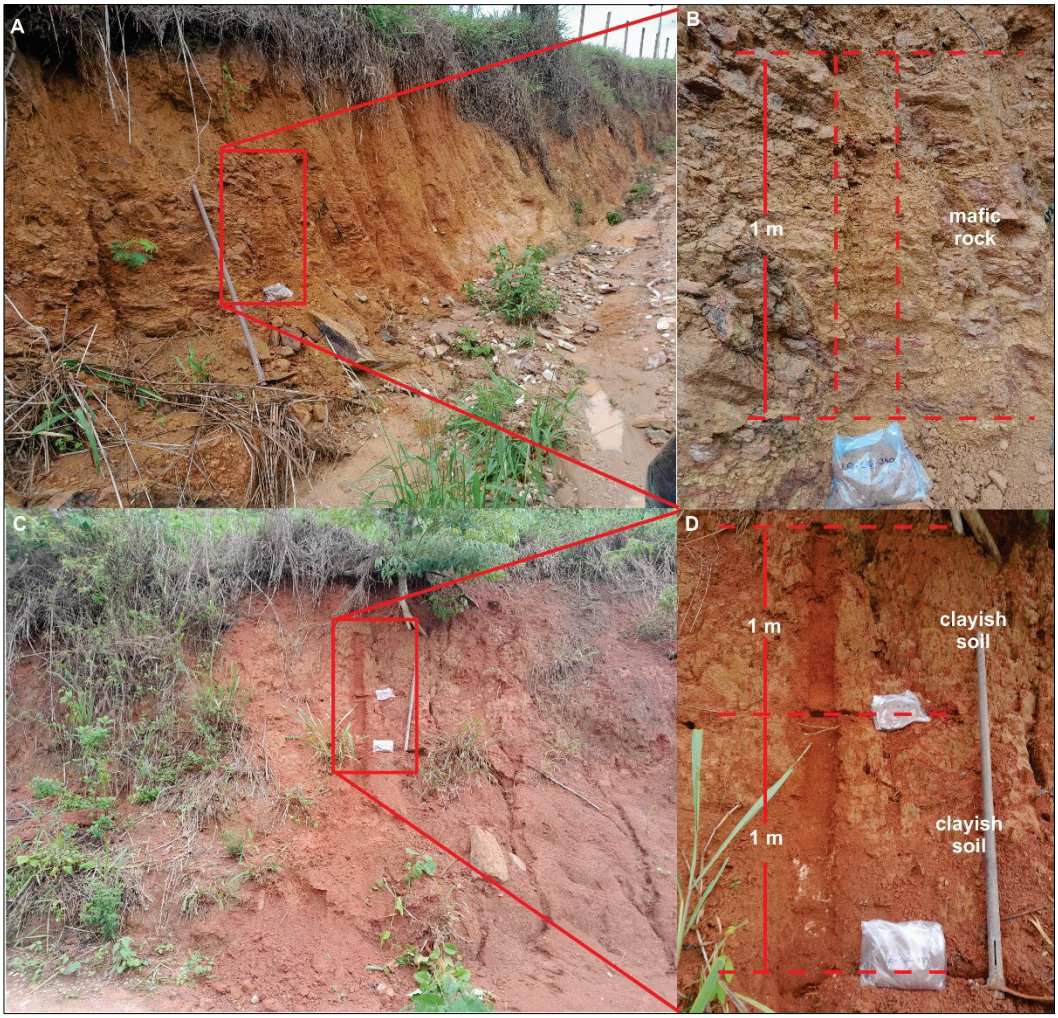

Figure 8: A) Outcrop of mafic rock in road in anomalous region. B) Channel sampling detail. C) Clayish soil in road cut very close to outcropping. D) Channel sampling detail.

Figure 9: A) Road cut with clayish soil in anomalous region. B) Channel sampling detail.

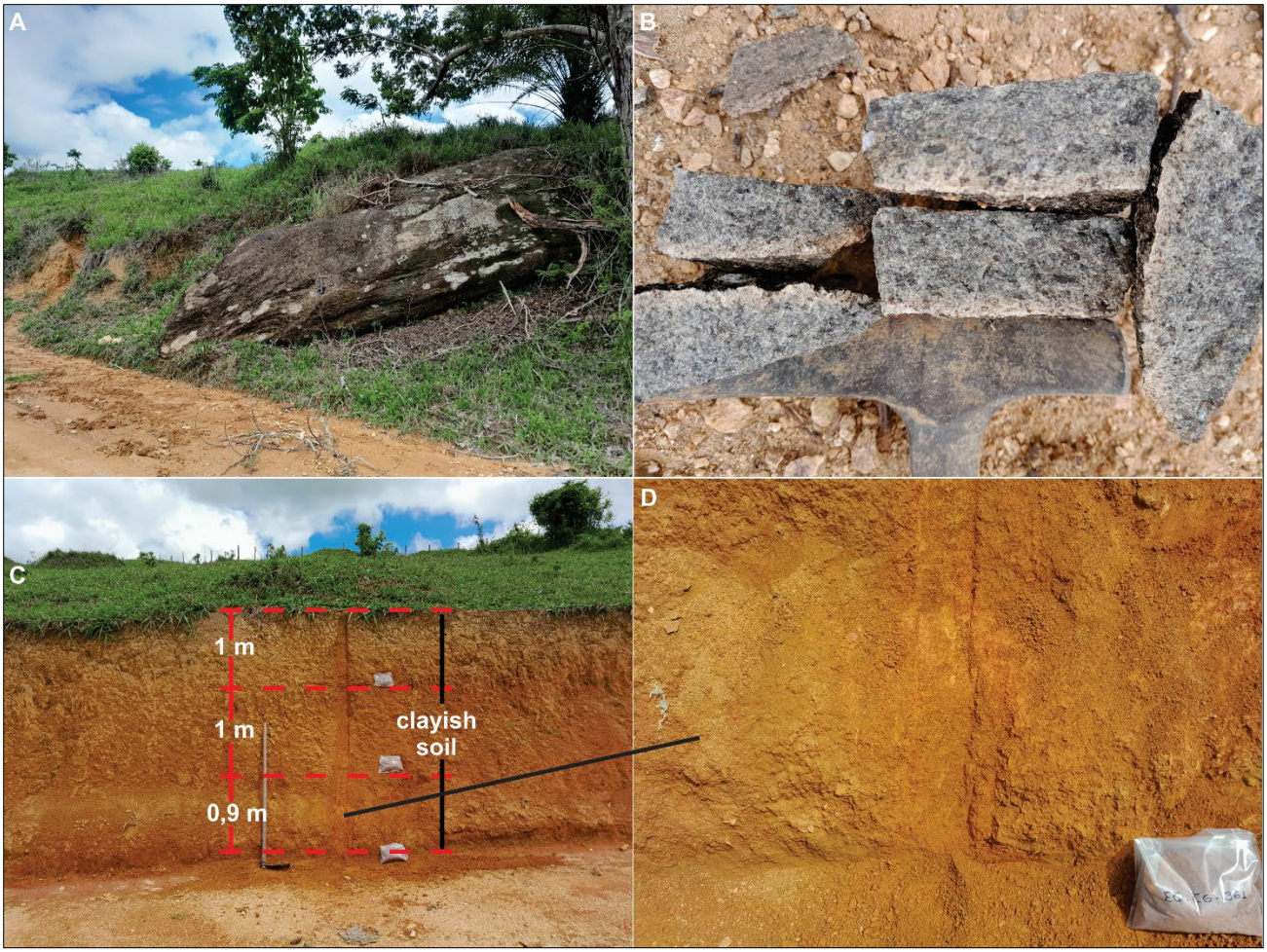

Figure 10: A) Leucogranite ortogneiss outcrop in anomalous region. B) Leucogranite ortogneiss detail. C) Clayish soil in road cut close to outcropping. E) Clayish soil detail.

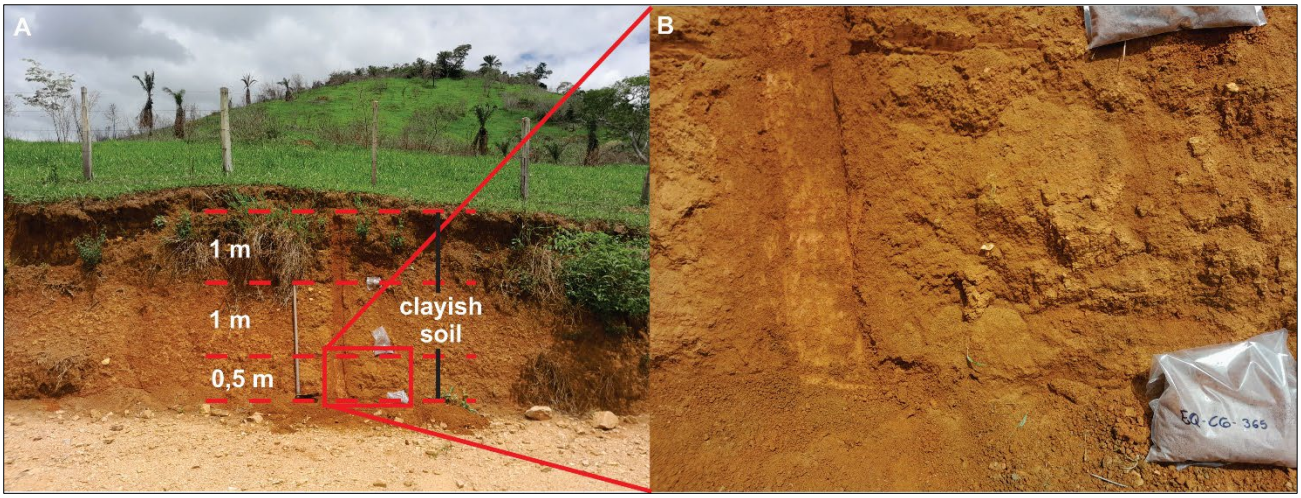

Figure 11: A) Road cut with clayish soil in anomalous region. B) Clayish soil detail.

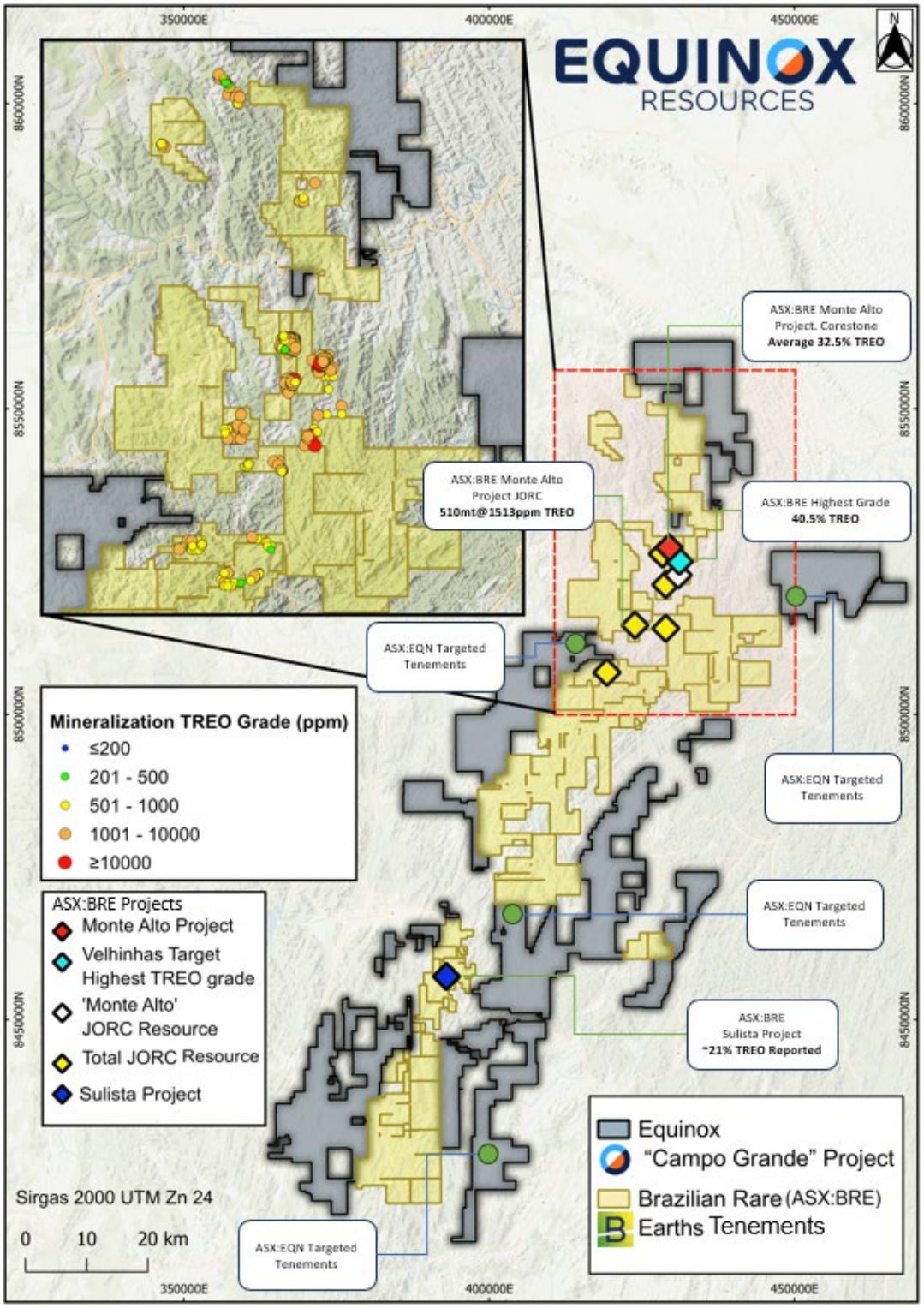

Figure 12: EQN Targeted Tenements for inaugural drilling in relation to results from neighboring BRE Projects.[2]

[2] Refer to Brazilian Rare Earths Limited Ultra-High Grade Rare Earth Assay at Monte Alto Project dated 1 February 2024. The Campo Grande Project's proximity to the Brazilian Rare Earth Projects does not guarantee the prospectivity of the Campo Grande Project.

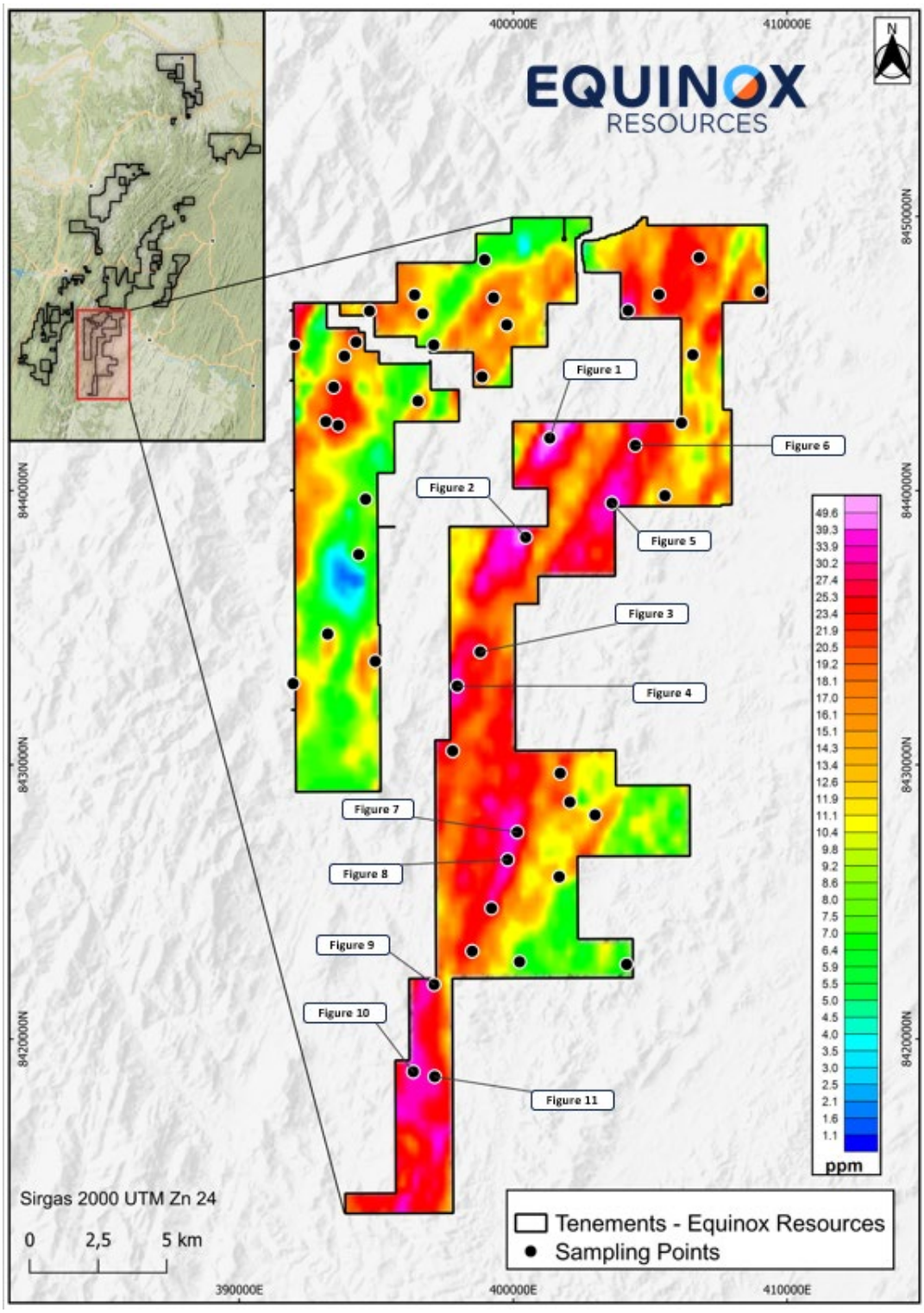

Figure 13: Airborne radiometric thorium map with sampling point carried out. Highlights those that coincide with anomalous regions.

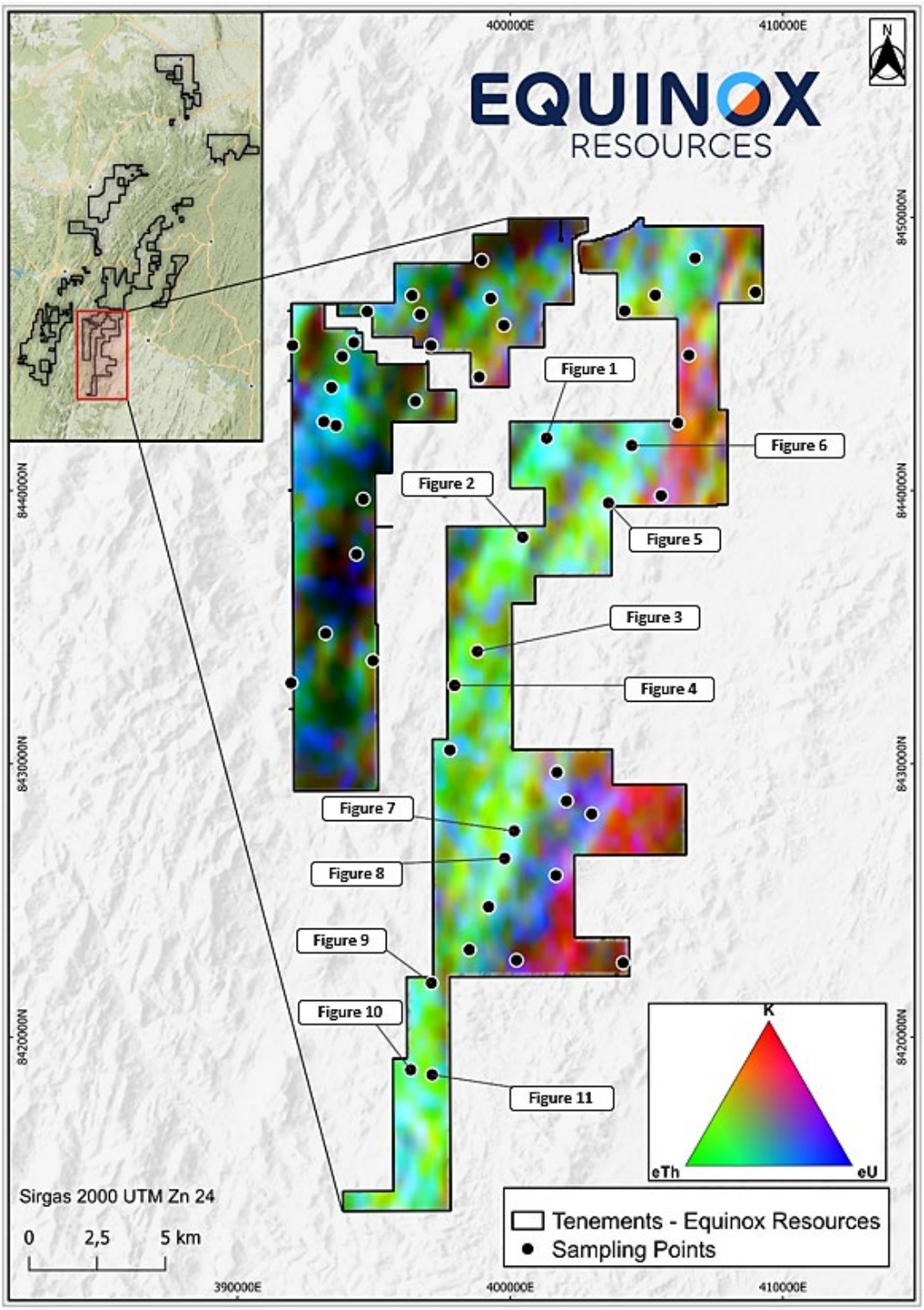

Figure 14: Airborne radiometric ternarium map with sampling point carried out. Highlights those that coincide with anomalous regions.

Grab samples have been collected and sent to SGS Laboratories for assay to substantiate the geophysical markers in the region. Channel sampling from various outcrops on the project were selected based on airborne radiometric thorium and ternary anomalies identified during regional geological reconnaissance. In areas with these anomalies, clayish soils near exposed leucogranites were identified as potentially hosting primary REE in hard rock or being the source of secondary REE oxides within weathered saprolite, soils, and clays.

Figures 1 to 11 represent images of the prospective Leucogranites (majority) and mafic rock, and its weathering product, a clayish soil. No REE mineralisation, which can only be recognised by assay, was visually identified. This geological setting is a known host for potential REE mineralisation within the area. Visual should never be considered a proxy or substitute for laboratory analyses where concentrations or grades are the factor of principal economic interest. Visual also potentially provide no information regarding impurities or deleterious physical properties relevant to valuations.

Evaluating Drilling Proposals for Inaugural Campaign

Several drilling proposals have been received from experienced drilling contractors, including Auger, Reverse Circulation, and Diamond Drill rigs. Representatives from these firms have visited the project site to assess ground conditions and access.

The proposals are currently under evaluation, with the Company aiming to secure a contract partner for the inaugural drilling program. The tender evaluations are based on a comprehensive set of criteria, including experience in REE and track record, safe working procedures, incentive milestones with guaranteed daily productivity targets, technical expertise, commercial terms, availability and flexibility, local knowledge and networks, and the specific terms and conditions of the contract.

Project Location

Equinox's Campo Grande Project is strategically situated approximately 250km south-west of Salvador, the capital of Bahia State, in north-eastern Brazil. The land is predominantly utilized for cattle grazing, subsistence farming, and plantations of coffee, cocoa, cereals, and cassava. Sealed, well-connected highways facilitate access to the project.

Significant logistical advantages distinguish the project from other rare earth and critical mineral ventures. These advantages include world-class infrastructure, such as low-cost, clean hydroelectric and wind power, and high-capacity electricity transmission lines near the project area.

The project benefits from proximity to several regional towns, providing excellent access to labour, suppliers, hospitals, banks, and other essential services. The export port of Ilhéus is approximately 150km away, while the town of Jequié, a key regional hub with a population of about 170,000, is roughly 20km from the nearest tenement.

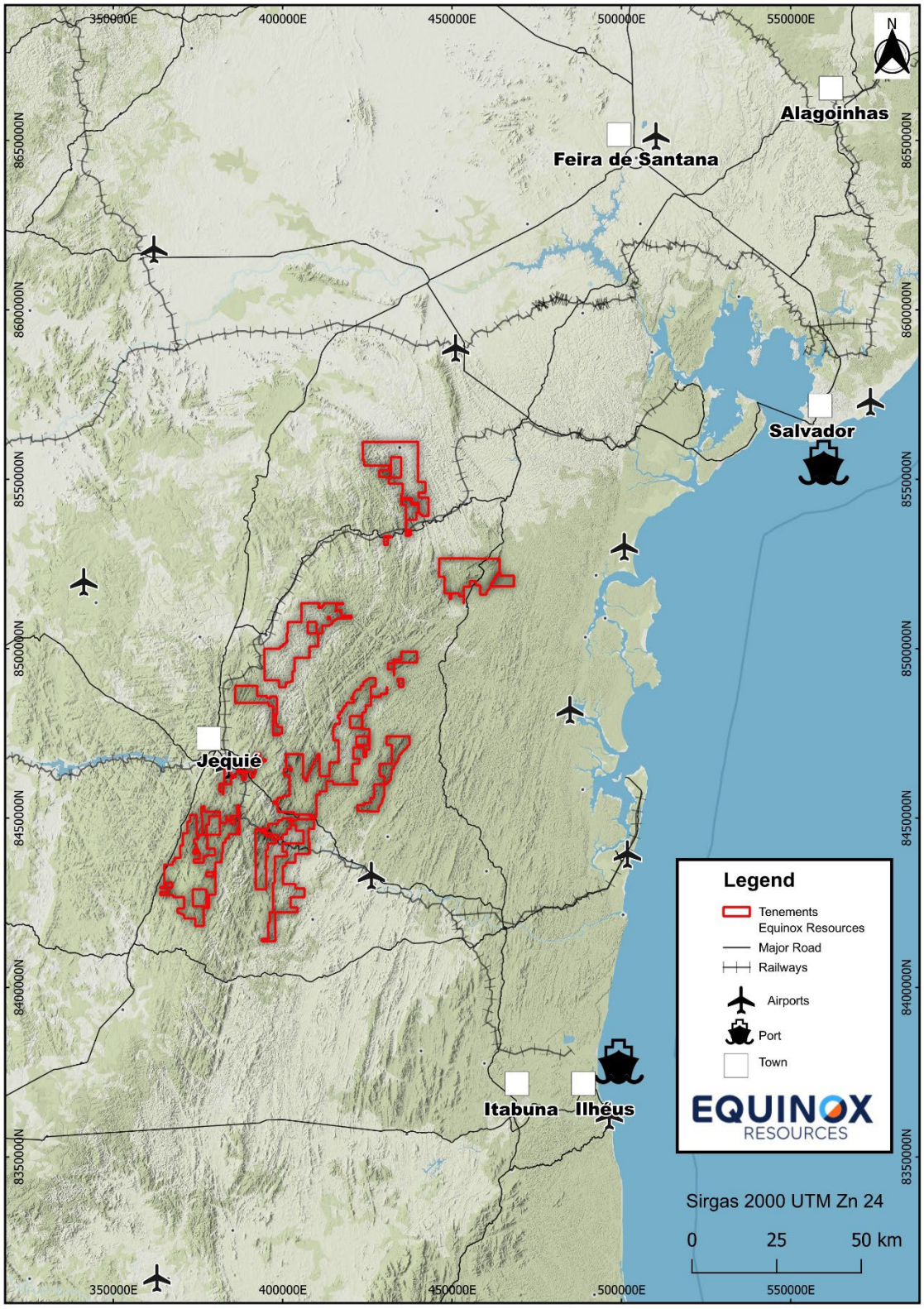

Figure 15: Location of the Campo Grande Project with Key Infrastructure.

Mining Rights Under Application

A summarised list of the 97 Exploration Licence Requests is provided below:

Tenement No.	Phase	Prospect	State	Size (ha)	Substance
872027/2023	Exploration Request	Jequié	Bahia	430.56	Rare Earth
872035/2023	Exploration Concenssion	Jequié	Bahia	1140.07	Rare Earth
872039/2023	Exploration Request	Jequié	Bahia	1495.81	Rare Earth
872042/2023	Exploration Concenssion	Jitaúna	Bahia	1894.41	Rare Earth
872049/2023	Exploration Concenssion	Jitaúna	Bahia	1928.7	Rare Earth
872050/2023	Exploration Concenssion	Jitaúna	Bahia	1936.92	Rare Earth
872051/2023	Exploration Concenssion	Jitaúna	Bahia	1775.38	Rare Earth
872052/2023	Exploration Concenssion	Jitaúna	Bahia	1861	Rare Earth
872053/2023	Exploration Concenssion	Itagi	Bahia	1736.9	Rare Earth
872057/2023	Exploration Request	Itagi	Bahia	1908.72	Rare Earth
872058/2023	Exploration Concenssion	Itagi	Bahia	1806.59	Rare Earth
872061/2023	Exploration Request	Itagi	Bahia	1918.1	Rare Earth
872067/2023	Exploration Concenssion	Vitorino	Bahia	1725.45	Rare Earth
872069/2023	Exploration Concenssion	Vitorino	Bahia	1479.74	Rare Earth
872073/2023	Exploration Concenssion	Vitorino	Bahia	1600.63	Rare Earth
872113/2023	Exploration Concenssion	Vitorino	Bahia	1946.33	Rare Earth
872114/2023	Exploration Concenssion	Vitorino	Bahia	1946.13	Rare Earth
872115/2023	Exploration Concenssion	Vitorino	Bahia	1816.79	Rare Earth
872116/2023	Exploration Concenssion	Vitorino	Bahia	1956.53	Rare Earth
872117/2023	Exploration Request	Vitorino	Bahia	1805.7	Rare Earth
872184/2023	Exploration Concenssion	Vitorino	Bahia	1612.25	Rare Earth
872185/2023	Exploration Concenssion	Vitorino	Bahia	1816.1	Rare Earth
872189/2023	Exploration Request	Vitorino	Bahia	913.4	Rare Earth
872191/2023	Exploration Concenssion	Vitorino	Bahia	1890.9	Rare Earth
872194/2023	Exploration Concenssion	Itagi	Bahia	1970.69	Rare Earth
872242/2023	Exploration Concenssion	Algodão	Bahia	1797.78	Rare Earth
872243/2023	Exploration Concenssion	Algodão	Bahia	1475.28	Rare Earth
872244/2023	Exploration Concenssion	Boa Vista	Bahia	1969.54	Rare Earth
872245/2023	Exploration Concenssion	Jaguaquara	Bahia	1949.38	Rare Earth
872246/2023	Exploration Concenssion	Jaguaquara	Bahia	1951.49	Rare Earth
872247/2023	Exploration Request	Jaguaquara	Bahia	1919.24	Rare Earth
872249/2023	Exploration Concenssion	Amargosa	Bahia	1969.95	Rare Earth
872251/2023	Exploration Concenssion	Amargosa	Bahia	1965.52	Rare Earth
872286/2023	Exploration Concenssion	Amargosa	Bahia	1955.39	Rare Earth
872287/2023	Exploration Concenssion	Amargosa	Bahia	1871.7	Rare Earth
872288/2023	Exploration Concenssion	Amargosa	Bahia	393.22	Rare Earth

872289/2023	Exploration Concenssion	Amargosa	Bahia	1997.96	Rare Earth
872290/2023	Exploration Concenssion	Amargosa	Bahia	1990.11	Rare Earth
872291/2023	Exploration Concenssion	Amargosa	Bahia	1987.95	Rare Earth
872292/2023	Exploration Concenssion	Amargosa	Bahia	1983.25	Rare Earth
872293/2023	Exploration Concenssion	Amargosa	Bahia	1993.85	Rare Earth
872294/2023	Exploration Concenssion	Amargosa	Bahia	1883.04	Rare Earth
872295/2023	Exploration Concenssion	Amargosa	Bahia	1980.51	Rare Earth
872296/2023	Exploration Concenssion	Aiquara	Bahia	1989.35	Rare Earth
872297/2023	Exploration Concenssion	Aiquara	Bahia	1991.5	Rare Earth
872298/2023	Exploration Concenssion	Aiquara	Bahia	1998	Rare Earth
872299/2023	Exploration Concenssion	Aiquara	Bahia	1996.24	Rare Earth
872300/2023	Exploration Concenssion	Algodão	Bahia	1998.94	Rare Earth
872301/2023	Exploration Concenssion	Apuarema	Bahia	1985.28	Rare Earth
872302/2023	Exploration Concenssion	Apuarema	Bahia	1990.05	Rare Earth
872303/2023	Exploration Concenssion	Apuarema	Bahia	1969.21	Rare Earth
872304/2023	Exploration Concenssion	Apuarema	Bahia	1977.34	Rare Earth
872306/2023	Exploration Concenssion	Itamari	Bahia	1982.03	Rare Earth
872307/2023	Exploration Concenssion	Itamari	Bahia	1990.72	Rare Earth
872310/2023	Exploration Concenssion	Itamari	Bahia	1892.8	Rare Earth
872311/2023	Exploration Concenssion	Itamari	Bahia	1935.63	Rare Earth
872312/2023	Exploration Concenssion	Itamari	Bahia	1832.21	Rare Earth
872313/2023	Exploration Request	Jaguaquara	Bahia	1960.79	Rare Earth
872315/2023	Exploration Concenssion	Jaguaquara	Bahia	1949.2	Rare Earth
872316/2023	Exploration Concenssion	Jaguaquara	Bahia	1946.92	Rare Earth
872317/2023	Exploration Concenssion	Jaguaquara	Bahia	1958	Rare Earth
872318/2023	Exploration Concenssion	Jaguaquara	Bahia	1982.45	Rare Earth
872319/2023	Exploration Concenssion	Vitorino	Bahia	1999.79	Rare Earth
872320/2023	Exploration Concenssion	Vitorino	Bahia	1985.79	Rare Earth
872321/2023	Exploration Concenssion	Jitaúna	Bahia	1996.67	Rare Earth
872322/2023	Exploration Concenssion	Vitorino	Bahia	1946.13	Rare Earth
872323/2023	Exploration Concenssion	Vitorino	Bahia	1993.4	Rare Earth
872324/2023	Exploration Concenssion	Vitorino	Bahia	1970.7	Rare Earth
872325/2023	Exploration Concenssion	Vitorino	Bahia	1945.68	Rare Earth
872326/2023	Exploration Concenssion	Apuarema	Bahia	1921.11	Rare Earth
872327/2023	Exploration Concenssion	Jaguaquara	Bahia	1955.92	Rare Earth
872328/2023	Exploration Concenssion	Jitaúna	Bahia	1941.26	Rare Earth
872345/2023	Exploration Concenssion	Aiquara	Bahia	1970.15	Rare Earth
872347/2023	Exploration Concenssion	Aiquara	Bahia	1615.17	Rare Earth
872348/2023	Exploration Concenssion	Cocão	Bahia	1997.39	Rare Earth

872349/2023	Exploration Concenssion	Cocão	Bahia	1988.39	Rare Earth
872352/2023	Exploration Request	Cocão	Bahia	1995.96	Rare Earth
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872359/2023	Exploration Concenssion	Boa Vista	Bahia	1968.33	Rare Earth
872361/2023	Exploration Concenssion	Boa Vista	Bahia	1978.52	Rare Earth
872362/2023	Exploration Concenssion	Presidente	Bahia	1961.66	Rare Earth
872363/2023	Exploration Concenssion	Algodão	Bahia	1538.09	Rare Earth
872364/2023	Exploration Concenssion	Presidente	Bahia	1965.76	Rare Earth
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872366/2023	Exploration Concenssion	Presidente	Bahia	1979.04	Rare Earth
872367/2023	Exploration Concenssion	Presidente	Bahia	1999.37	Rare Earth
872368/2023	Exploration Concenssion	Presidente	Bahia	1960.03	Rare Earth
872369/2023	Exploration Concenssion	Presidente	Bahia	1922.77	Rare Earth
872370/2023	Exploration Concenssion	Presidente	Bahia	1933.72	Rare Earth
872371/2023	Exploration Concenssion	Presidente	Bahia	1910.85	Rare Earth
872374/2023	Exploration Concenssion	Jaguaquara	Bahia	1989.35	Rare Earth
872376/2023	Exploration Concenssion	Jaguaquara	Bahia	1990.02	Rare Earth
872380/2023	Exploration Concenssion	Jaguaquara	Bahia	1943.21	Rare Earth
872383/2023	Exploration Concenssion	Presidente	Bahia	1943.18	Rare Earth

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Authorised for release by the Board of Equinox Resources Limited.

COMPETENT PERSON STATEMENT

The information in this report which relates to Exploration Results is based on information compiled by Mr Luciano Oliveira, who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM 3117228). Mr Oliveira is the Exploration Manager for Equinox Resources Ltd and has sufficient experience 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 "Australian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Oliveria consents to the inclusion in the announcement of the matters based on that information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the market announcements referred to in this release and that all material assumptions and technical information referenced in the market announcement continue to apply and have not materially changed. All announcements referred to throughout can be found on the Company's website: eqnx.com.au.

FORWARD LOOKING STATEMENTS

This announcement may contain certain forward-looking statements and projections. Such forward looking statements/projections are estimates for discussion purposes only and should not be relied upon. Forward looking statements/projections are inherently uncertain and may therefore differ materially from results ultimately achieved. Equinox Resources Limited does not make any representations and provides no warranties concerning the accuracy of the projections and disclaims any obligation to update or revise any forward-looking statements/projects based on new information, future events or otherwise except to the extent required by applicable laws. While the information contained in this report has been prepared in good faith, neither Equinox Resources Limited or any of its directors, officers, agents, employees, or advisors give any representation or warranty, express or implied, as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this announcement.

JORC Code, 2012 Edition – Table 1
Section 1 Sampling Techniques and Data
(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Geophysical data/maps was sourced from the Government of the State of Bahia survey of 2010-2011 for the área. • Details are as following: ○ Location - Ipirá - Ilhéus ○ Project year 2010 ○ Contractor - Government of the State of Bahia ○ Contractor – Microsurvey Aerogeofísica e Consultoria Científica Ltda ○ Method: Magnetometry and Gammaspectometry ○ Area (km²) 40.077,08 ○ Flight line spacing (m) 500 ○ Spacing of control lines (Km) 5 ○ Flight Height (m) 100 ○ Direction of E-W flight lines ○ Direction of N-S control lines ○ Year of Completion 2011 • Rock-chip and cut channels in soil and weathering profiles sampling meter by meter or smaller intervals when there is a change in the composition and texture of the material.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Auger drilling will be carried out by a hand held-mechanical auger with a 3" auger bit. The drilling is an open hole, meaning there is a significant chance of contamination from surface and other parts of the auger hole. Holes are vertical and not oriented. • RC drilling will be carried out with a 4" to 5" bit. Holes are vertical
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• No drilling has been undertaken.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Not applicable as no drilling has been undertaken

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• For drilling is not applicable as no samples have been taken. • Samples collected is bagged on site in plastic bag, identified with sequential numbers and transported to the exploration shed. • Sample preparation was conducted at SGS Vespasiano (greater Belo Horizonte) comprising oven drying, crushing of entire sample to 75% < 3mm followed by rotary splitting and pulverisation of 250 grams at 95% minus 150#. • The < 3mm rejects and the 250 grams pulverised sample will be returned to Equinox for storage.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• The assay technique used for REE was Lithium Metaborate Fusion ICP-MS (SGS code ICP95A and IMS95A). This is a recognized industry standard analyses technique for REE suite and associated elements. Elements analysed at ppm levels: Ba, Ce, Co, Cr, Cs, Cu, Dy, Er, Eu, Ga, Gd, Hf, Ho, La, Lu, Nb, Nd, Pr, Rb, Sm, Sn, Sr, Ta, Tb, Th, Tm, U, V, W, Y, Yb, Zr, Zn. • The SGS laboratory used for the REE assays is ISO 9001 and 14001 and 17025 accredited.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Not applicable as no drilling has been undertaken and there is no analytical results yet.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• The UTM SIRGAS2000 zone 24S grid datum is used for current reporting. The samples collected are currently controlled by hand-held GPS. Drill holes collar coordinates for the holes reported were programmed remotely and will be controlled by hand-held GPS.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Auger holes are 200m apart, designed for testing possible REE mineralisation over airborne radiometric thorium and ternary anomalies. • The data spacing and distribution is sufficient to establish the level of REE elements present in the target area and its continuity along the weathering profile appropriate for a Mineral Resource.

Criteria	JORC Code explanation	Commentary
		• RC holes were located over the strongest airborne radiometric thorium and ternary anomalies present in the area to test possible REE mineralisation . • No sample composition was applied.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Not applicable as no drilling has been undertaken
Sample security	• *The measures taken to ensure sample security.*	• For drilling is not applicable, as no drilling has been undertaken. • The rock-chip and soil samples in sealed plastic bags were sent directly to SGS by car. The Company has no reason to believe that sample security poses a material risk to the integrity of the assay data.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• The sampling techniques and data have been reviewed by the Competent Person and are found to be of industry standard.

Section 2 Reporting of Exploration Results

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• Campo Grande Project is situated about 250km south-west of Salvador in north-eastern Brazil. • The tenement count considers 97 valis applications for grant of tenements.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• No other exploration is known apart from the government agency's field mapping and geophysical datawork
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The mineralisation in the region consists of Ionic Adsorbed Clay and residual heavy mineral concentrations of REE elements associated with deeply weathered profiles over Middle Archean ortho and para granulite facies rocks and Late Archean high K ferroan A-type granitoid sequences. The Archean sequences were metamorphosed to granulite facies in the Transamazonian orogeny and then intruded by Paleoproterozoic post tectonic charnockitic granites. Concentrations of REE minerals are present in the Later Archean A-type granitoids and in small mafic intrusive bodies. Mineralisation is predominantly Ionic Adsorbed Clay.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• Exploration results are not being reported.

Criteria	JORC Code explanation	Commentary
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Exploration results are not being reported.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Exploration results are not being reported.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Appropriate diagrams are included in the main body of this announcement.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Exploration results are not being reported.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Relevant maps and diagrams are included in the main body of the report.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Proposed work program after the grant of tenements is included in the main body of the report.