Frontier Discovery: Incredible REE Grades up to 5,024ppm TREO Discovered at Mata da Corda

Equinox Resources Unveils District-Scale REE Discovery Exceeding 10km² at the Mata Da Corda Clay Rare Earth Project, Brazil

Highlights

- Initial assay results from surface clay and channel clay samples at the Mata da Corda Rare Earth Element (REE) Project in Brazil returned exceptionally high REE grades in clay (Annex 1), including:
  - **5024 ppm TREO** (sample EQ-MC-095)
  - **3505 ppm TREO** (sample EQ-MC-073)
  - **2872 ppm TREO** (sample EQ-MC-220)
  - **2780 ppm TREO** (sample EQ-MC-094)
  - **2725 ppm TREO** (sample EQ-MC-205)
  - **2582 ppm TREO** (sample EQ-MC-085)
  - **2412 ppm TREO** (sample EQ-MC-212)
  - **2371 ppm TREO** (sample EQ-MC-226)
  - **2279 ppm TREO** (sample EQ-MC-225)
  - **2260 ppm TREO** (sample EQ-MC-186)
  - **2172 ppm TREO** (sample EQ-MC-227)
  - **2089 ppm TREO** (sample EQ-MC-210)
  - **4454 ppm TREO** (sample EQ-MC-075)
  - **2896 ppm TREO** (sample EQ-MC-208)
  - **2866 ppm TREO** (sample EQ-MC-204)
  - **2770 ppm TREO** (sample EQ-MC-206)
  - **2663 ppm TREO** (sample EQ-MC-197)
  - **2555 ppm TREO** (sample EQ-MC-209)
  - **2387 ppm TREO** (sample EQ-MC-214)
  - **2299 ppm TREO** (sample EQ-MC-187)
  - **2269 ppm TREO** (sample EQ-MC-207)
  - **2243 ppm TREO** (sample EQ-MC-188)
  - **2131 ppm TREO** (sample EQ-MC-198)
- Over 10km² of the project area sampled returned >2,000pm TREO in clays at surface from maiden sampling program which marks a new frontier and greenfield province for potentially hosting an exceptionally high-grade and large Ionic Adsorption Clay ("IAC") deposit.
- Channel workings and samples collected from oxidized clay layer, which generally hosts lower levels of mineralisation and is indicative of grades significantly increasing at depth upon drilling.
- Majority samples present a Cerium anomaly which is analogous to Ionic Clay deposits whereby heavier ions are leached and ionically bonded into weathered zone lower in the saprolite profile, leaving a surficial Ce anomaly.
- These results are incredibly prospective to hosting a large-scale mineralised system in a new province which the Company holds first-mover advantage and now aims to fast-track and prioritize Mata da Corda drilling programs.

Equinox Resources Limited (ASX: EQN) ("Equinox Resources" or the "Company") is pleased to announce a significant new rare earth discovery following the return of exceptionally high-grade surface sample results from its "**Mata da Corda"** Rare Earth Project, located in province of Patos de Minas, in Minas Gerais State, Brazil. These are the first results from this exciting new frontier project, which spans an area of approximately 847km^2.

The sampling program consisted of randomized sampling of saprolite profiles and outcrops which has been visually identified across a large area over 200km^2. The results have confirmed the weathered host rocks in this region which has formed widespread saprolitic clay is the main hosting body for high-grade REE mineralisation, which commences at surface.

The grades found are exceptional on their own accord, however when also taking into consideration the samples were also taken from the oxidized clay layer at surface which is mixed with humic material, dramatically elevates the prospectivity and significance of the results. Whereby, the Company expects drilling to uncover significantly elevated levels of REE grades at depths within a more weathered clay layer below. The surficial Cerium anomalies found is also indicative that the majority source of Magnet Rare Earth Elements (MREE – Neodymium, Praseodymium, Dysprosium, Terbium) have been leached lower and will be tested during the maiden drilling programs at Mata da Corda.

The entire region has never been explored for Rare Earths, which these results underpin a potential new frontier for hosting an IAC deposit which initial surface grades paves way for Mata da Corda to be on par with the best projects found in the globe, furthermore, within a province which the Company is the sole REE player and has first mover advantage.

Equinox Resources CEO, Zac Komur, commented:

"We've made a groundbreaking discovery at our Mata da Corda project, uncovering exceptionally high-grade rare earth clay mineralisation across a vast, uncharted expanse in the heart of Brazil. Situated in a flat, open plain, this pristine greenfield region is not just another project; it's poised to revolutionise the industry with its unparalleled surface REE grades. This success is no stroke of luck; it is the culmination of our team's meticulous research, diligent groundwork and following the geology and science and staking our own ground."

"The impressive surface assay results not only confirm the extraordinary potential of the site but also align with our broader mission to identify significant, district-scale opportunities akin to our Campo Grande project. With the quality of the region confirmed, our team has launched an intensive surface sampling campaign to pinpoint optimal drilling targets, and preparation of all necessary environmental licenses and land access requirements to commence drilling."

"Our approach is pragmatic and efficient. Just four months after staking the ground, we are making strides in drilling preparations and securing necessary authorisations. This rapid progress demonstrates our team's capability to navigate challenges swiftly and effectively."

"This project reflects the strong partnerships we've forged in Brazil and our commitment to our shareholders. We're dedicated to de-risking and advancing our projects through active community engagement and strategic partnerships. As I look forward to returning to Brazil to start drilling at Mata da Corda, I am excited about the potential impact this project will have, not just for Equinox Resources, but for the entire region. We are just at the beginning of this promising journey to unlock the full potential of Mata da Corda."

Near-Term Exploration Priorities

The Company, in pursuit of its growth ambitions, have planned an aggressive program over the next 6months in which it will concentrate resources to conduct a comprehensive concentrated surface saprolite exploration campaign to identify high-grade drill targets and undertake the following activities:

- Complete concentrated surface saprolite samples and identification of the drill prospects – Q2 CY24
- Application for Preliminary Environmental Licence on the prospect – Q2 CY24
- Securing land access across the target prospect – Q3 CY24
- Issue of the drill plan and securing drilling contractor – Q3 CY24
- Commencement of drilling at Mata da Corda prospect – Q3 CY24

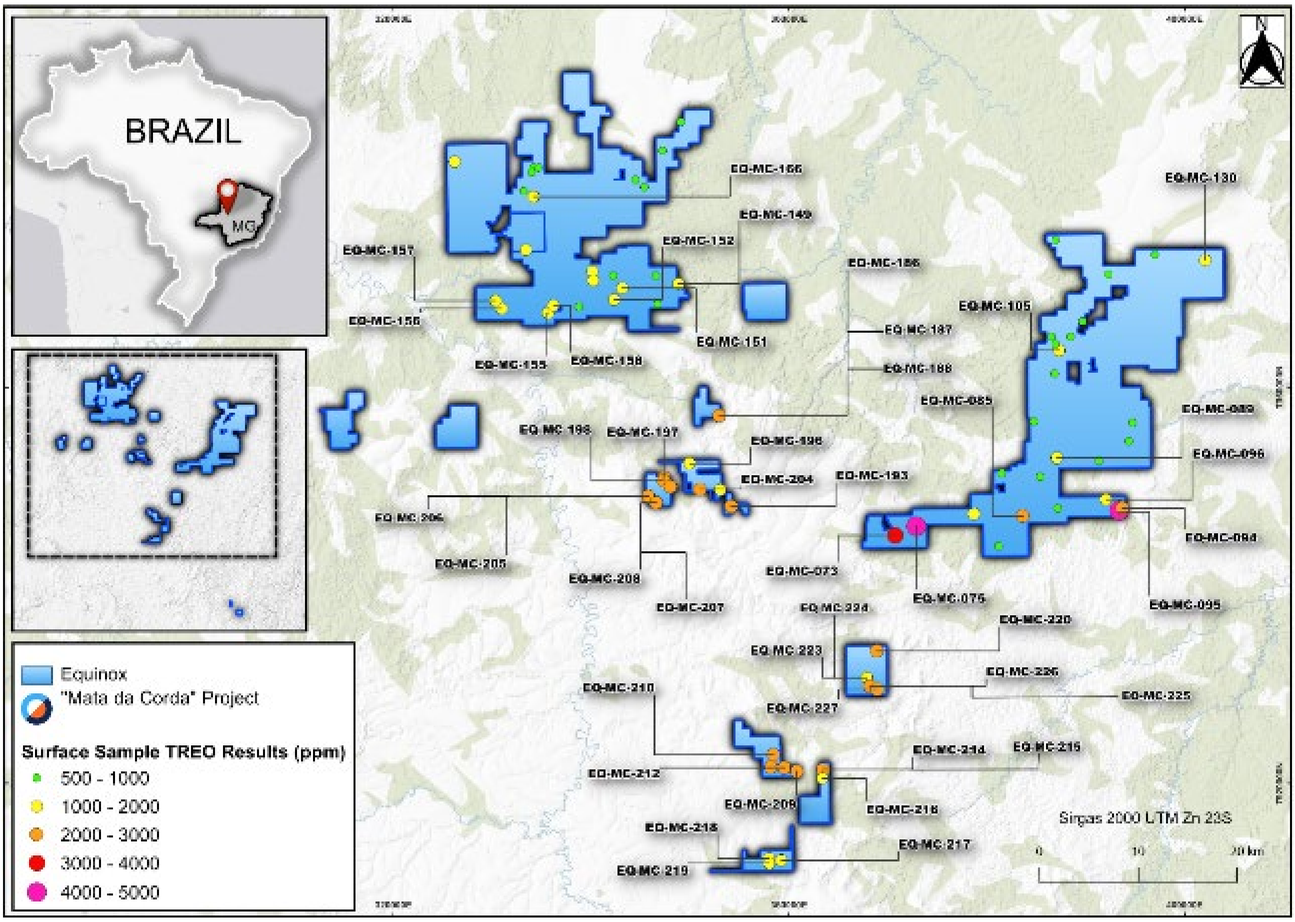

Figure 1: Total Rare Earth Oxides Surface Sample Results of the Mata da Corda Project.

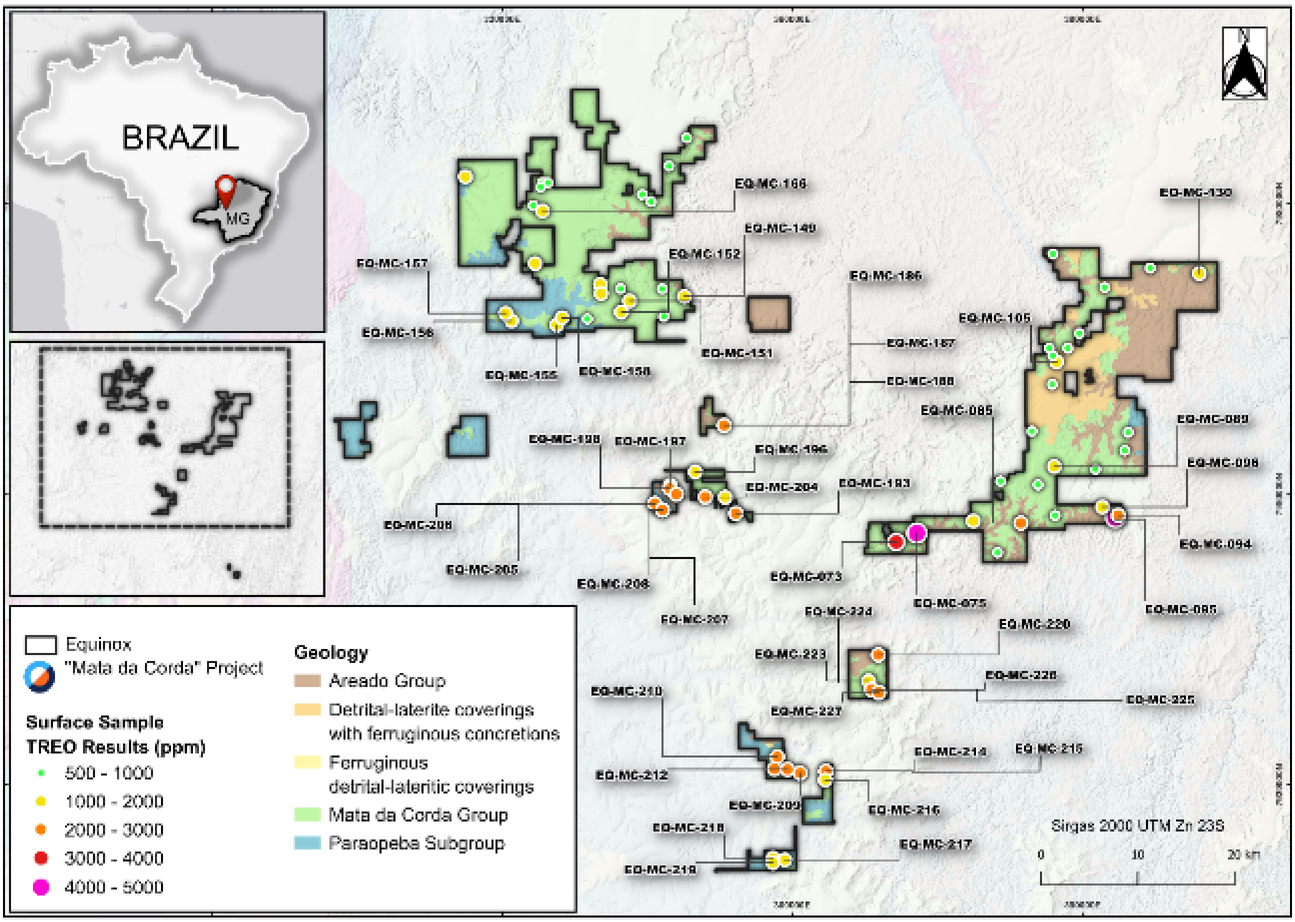

Figure 2: Mata da Corda Regional Geological Map with the Total Rare Earth Oxides Surface Sample Results.

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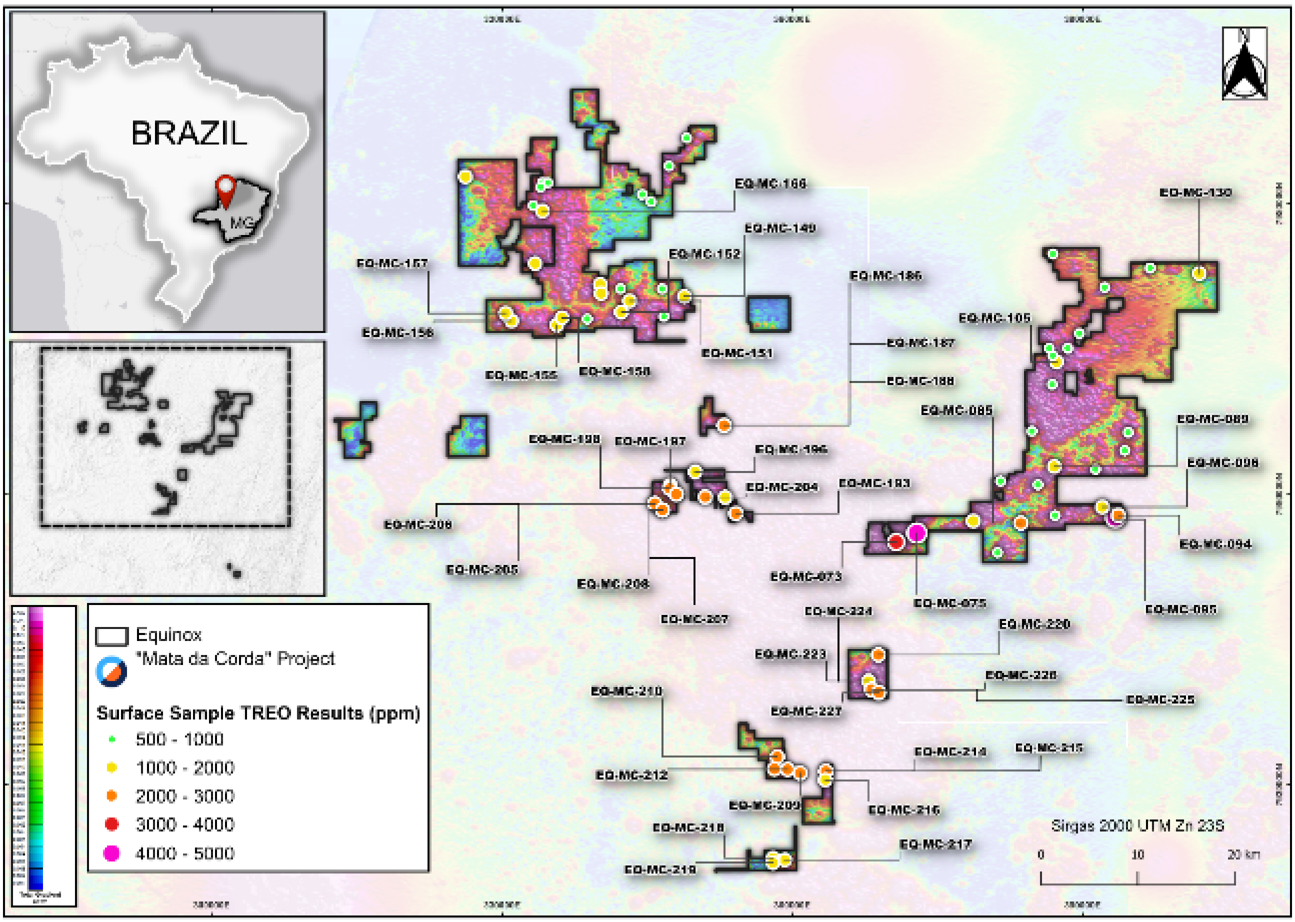

Figure 3: Mata da Corda Airborne Magnetic Total Gradient Map with Total Rare Earth Oxides Surface Sample Results.

Figure 4: 5024 ppm TREO EQ-MC-095

Figure 5: 4454 ppm TREO EQ-MC-075

Figure 6: 3505 ppm TREO EQ-MC-073

Figure 7: 2866 ppm TREO EQ-MC-204

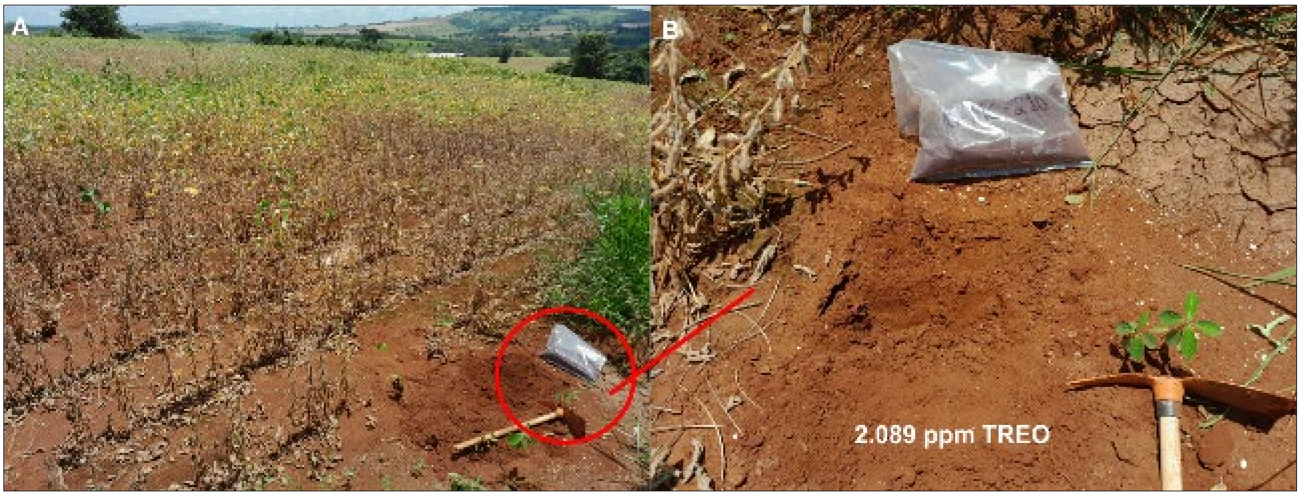

Figure 8: 2089 ppm TREO EQ-MC-210

Figure 9: 2412 ppm TREO EQ-MC-212

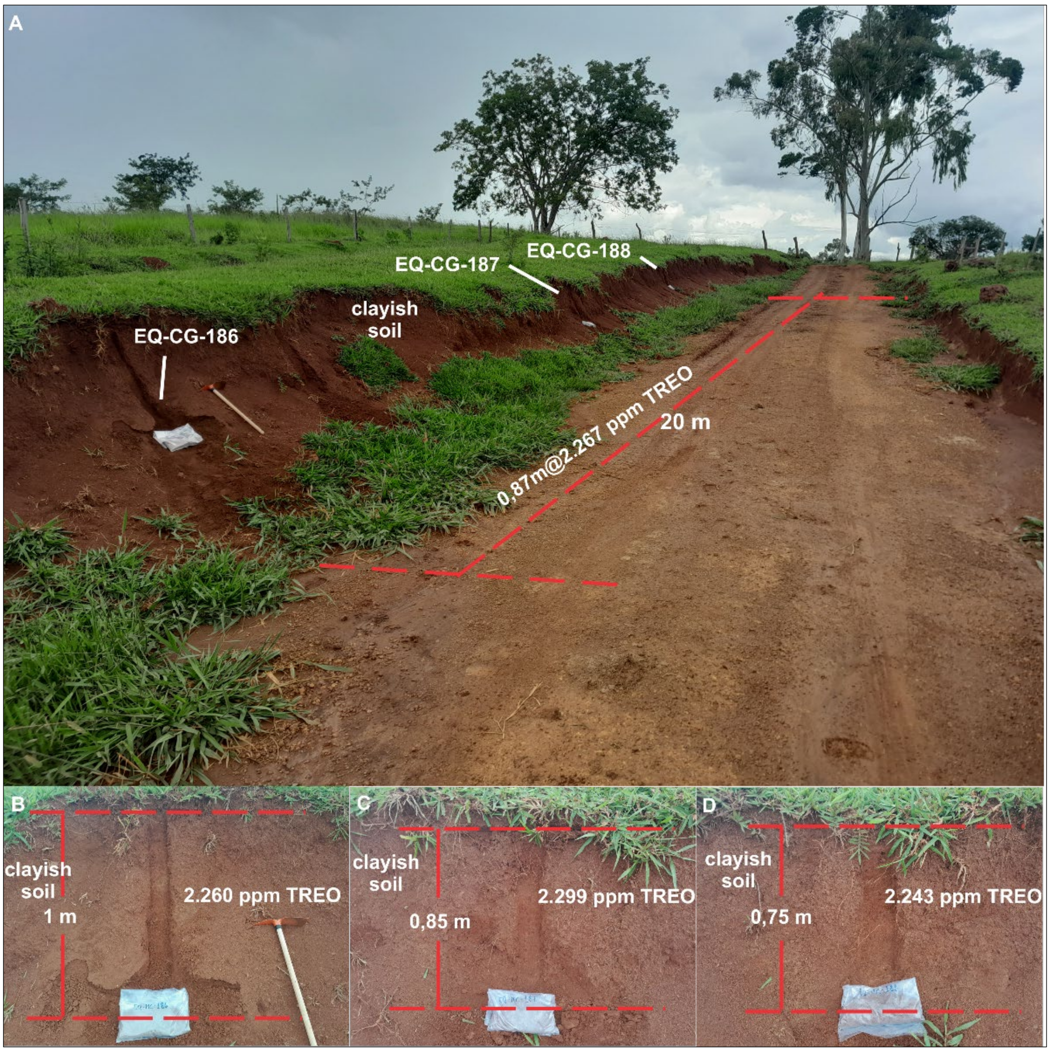

Figure 10: 2267 ppm TREO EQ-MC-186-187-188

Figure 11: 2131 ppm TREO EQ-MC-198

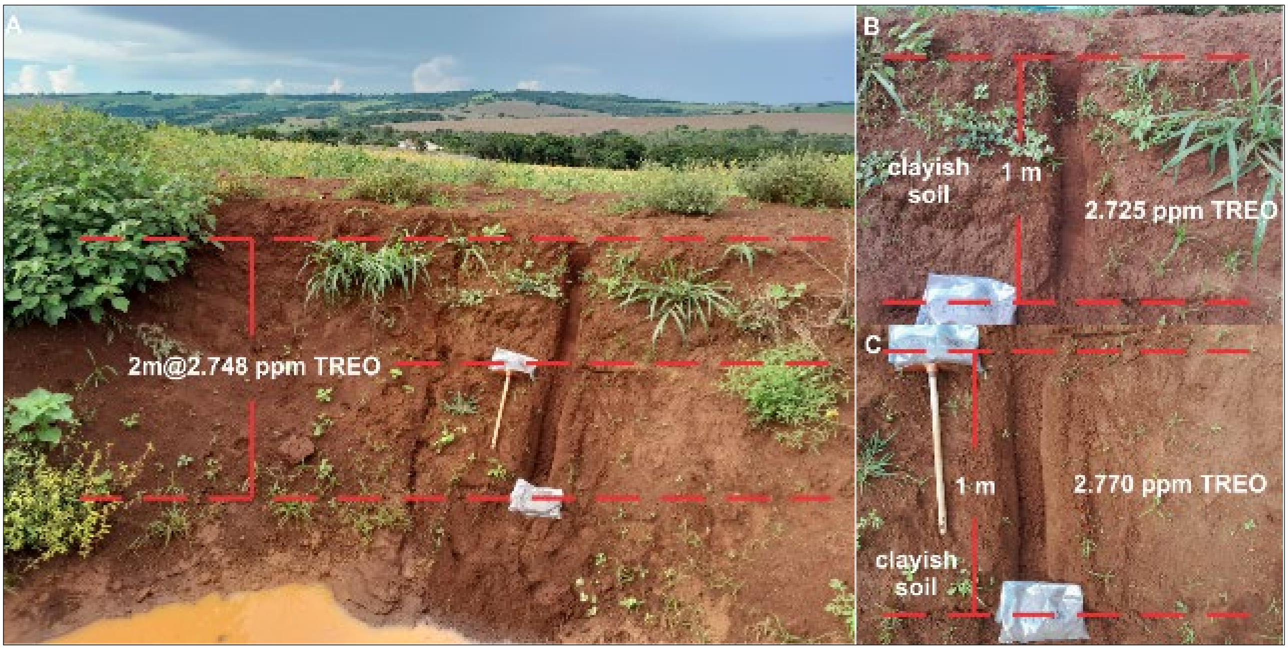

Figure 12: 2748 ppm TREO EQ-MC-205-206

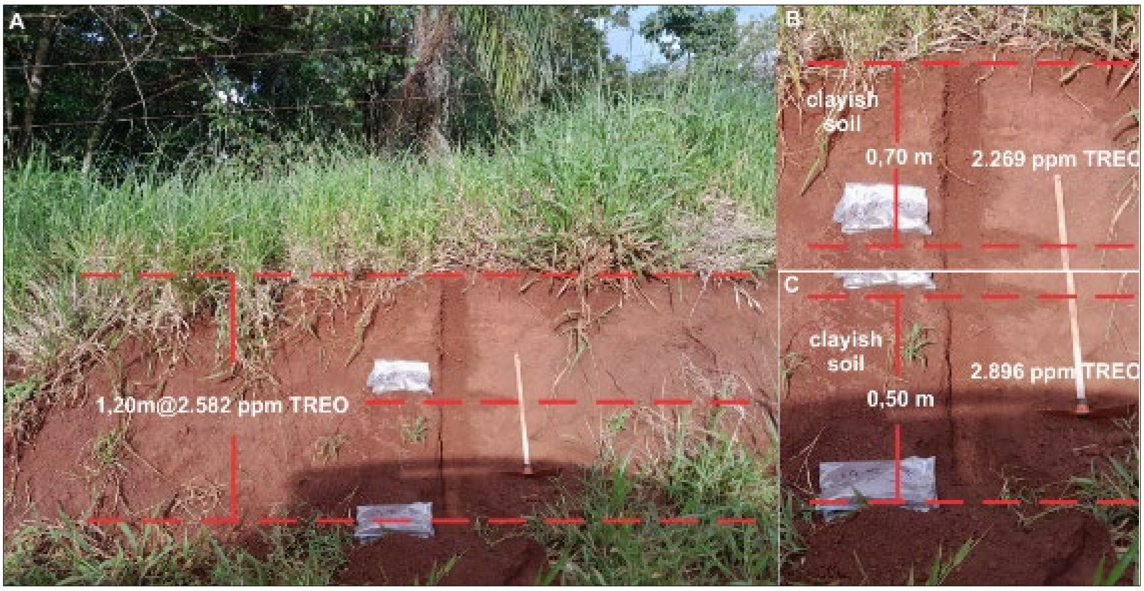

Figure 13: 2582 ppm TREO EQ-MC-207-208

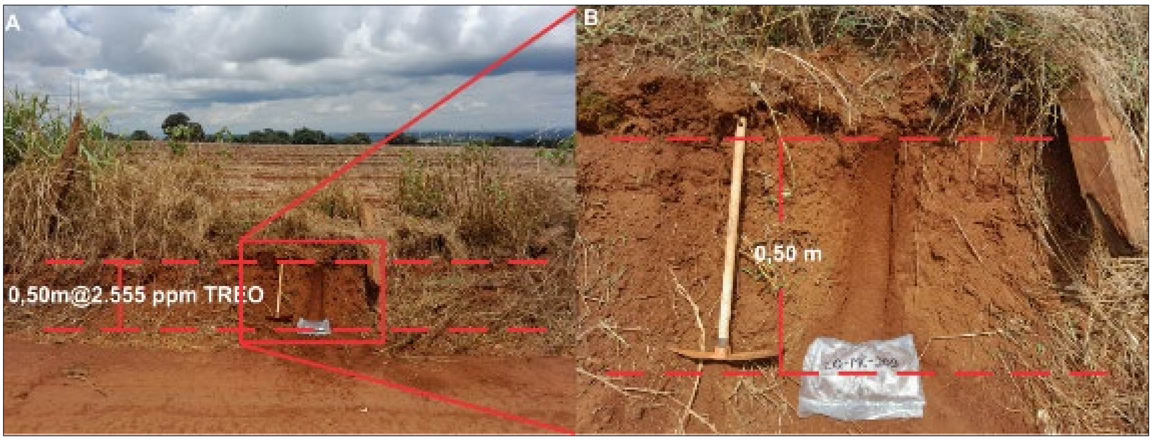

Figure 14: 2555 ppm TREO EQ-MC-209

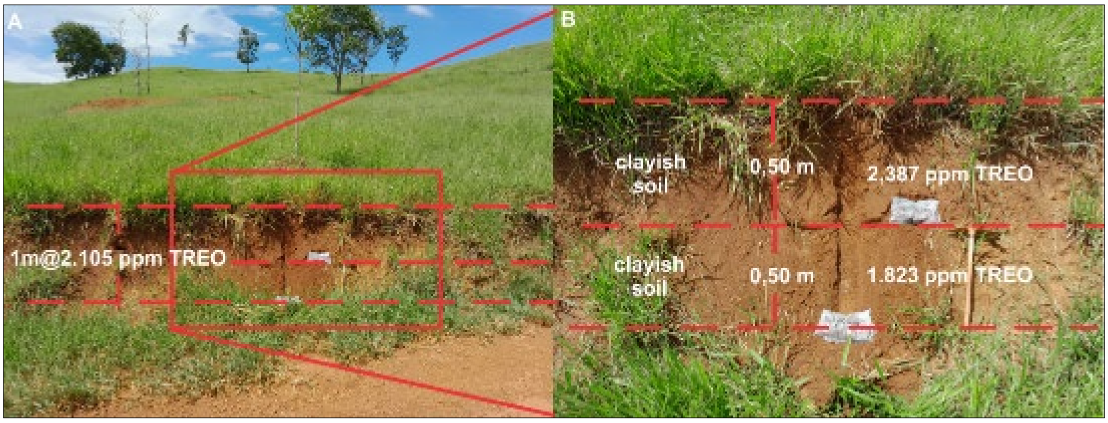

Figure 15: 2105 ppm TREO EQ-MC-214-215

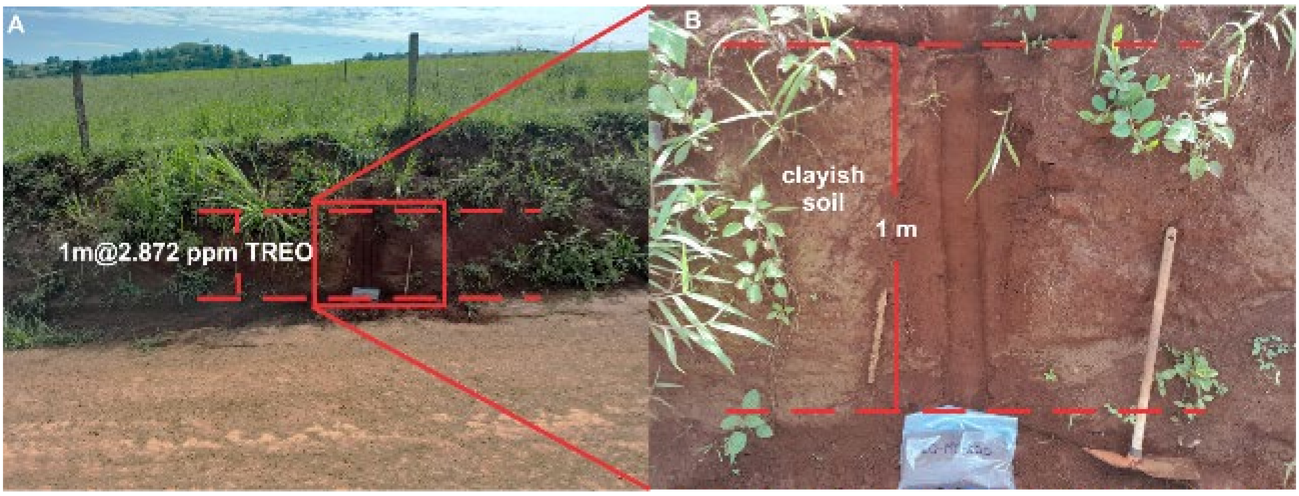

Figure 16: 2872 ppm TREO EQ-MC-220

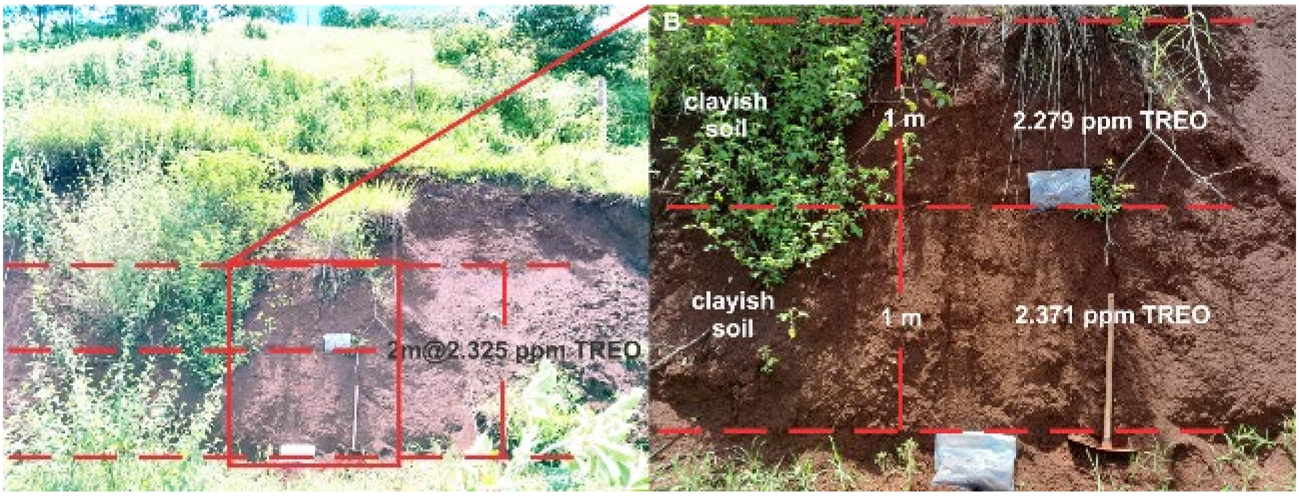

Figure 17: 2325 ppm TREO EQ-MC-225-226

Figure 18: 2172 ppm TREO EQ-MC-227

Geology and Mineralisation

The Mata da Corda Group, located in the Arco do Alto Paranaíba region, has been identified as a prime location for exploration for rare earth clay elements due to its unique geological composition. This area is distinguished by its kamafugitic rocks, which include a variety of formations such as subvolcanic plugs, volcanic flows, and pyroclastic and epiclastic deposits, indicating a rich and diverse geological history. All these rocks are very magnetic.

The region's ground is predominantly clay and rich in rare earths, phosphate, potassium and iron, making it highly fertile. This is further enhanced by the presence of laterite crusts, which are known for their mineral content. The geological activity in the area, characterised by multiple volcanic pulses, has resulted in layers of pyroclastic materials like tuffs and lapillites, which are often associated with rare earth element deposits. These rocks when altered, form plateaus are covered predominantly with clayey weathered soil where, due to the physical-chemical alteration process, rare earth elements are concentrated in the soil formed just above the hard rocks of this group.

Project Location

The Mata da Corda Project is situated about 400km from Belo Horizonte, along the Paranaíba River in south-eastern Brazil. This region is a key agricultural area, known for producing staples such as coffee, cotton, potatoes, sugarcane, and corn. Its economic base is further strengthened by light industry and livestock raising.

Education and healthcare infrastructure in the region are robust, with a range of schools and higher education institutions, as well as hospitals and clinics. This supports a healthy and educated local workforce. Additionally, the Pedro Pereira dos Santos Airport provides connectivity to major cities, facilitating travel and business operations.

The Mata da Corda Project stands out due to it is strategic logistical advantages. The region benefits from clean and affordable hydroelectric and wind power, as well as high-capacity electricity transmission lines. Such infrastructure is advantageous for mining and mineral processing operations.

Transportation infrastructure is also a key asset in the region. Major highways and the West-East Integration Railway support the movement of goods, enhancing trade and accessibility for local industries.

The area around the project has a significant population, offering a diverse labour pool. The city of Patos de Minas, with its population of approximately 160,000, is indicative of the region's labour potential. The local educational infrastructure helps in fostering a skilled workforce suitable for various industries, including agriculture, mining, and manufacturing. The presence of efficient transport networks like highways and railways also improves workforce mobility, drawing from a larger labour pool in surrounding areas.

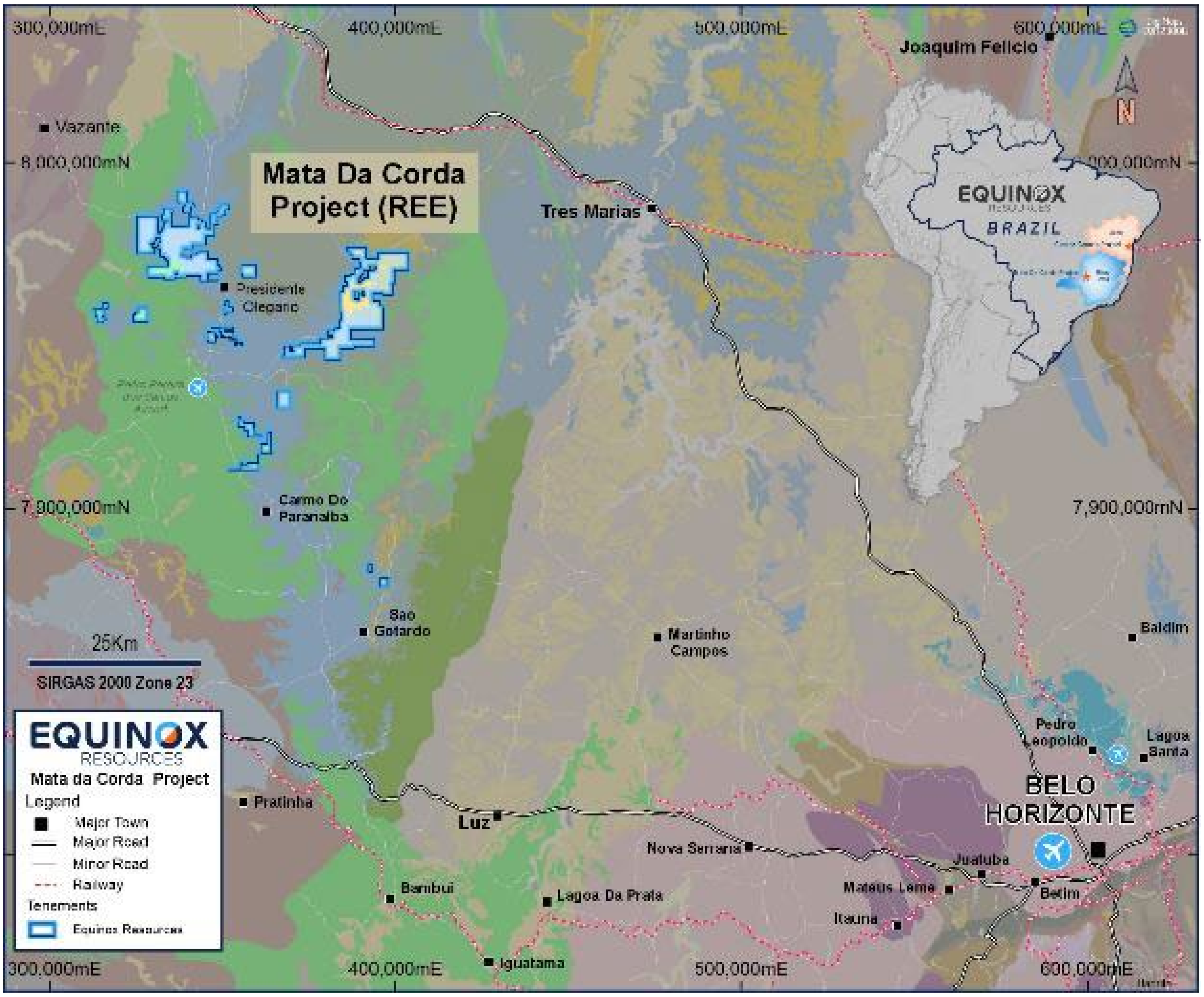

Figure 19: Location of the Mata da Cardo Project with Key Infrastructure.

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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). 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.

COMPLIANCE STATEMENT

This announcement contains information on the Mata da Corda Project extracted from ASX market announcements dated 13 December 2023 released by the Company and reported in accordance with the 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (2012 JORC Code) and available for viewing at www.eqnx.com.au or www.asx.com.au. EQN is not aware of any new information or data that materially affects the information included in the original market announcement.

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.

Annex 1 – Surface Sample Results

SAMPLE_ID	EAST	NORTH	SAMPLE TYPE	LENGTH	TREO ppm	@TREO ppm
EQ-MC-073	370752,431	7945056,974	grab	-	3505	3505
EQ-MC-075	372878,796	7945976,087	grab	-	4454	4454
EQ-MC-079	381494,334	7951338,400	grab	-	788	788
EQ-MC-081	381183,532	7943967,451	grab	-	734	734
EQ-MC-085	383598,145	7947014,330	shallow hole	0.60m	2582	2582
EQ-MC-089	387055,638	7952859,892	grab	-	1073	1073
EQ-MC-093	391321,152	7952568,351	grab	-	524	524
EQ-MC-094	393662,541	7947813,050	grab	-	2780	2780
EQ-MC-095	393379,257	7947585,460	grab	-	5024	5024
EQ-MC-096	392022,104	7948671,375	grab	-	1094	1094
EQ-MC-097	387134,974	7947796,661	grab	-	560	560
EQ-MC-099	385364,066	7950980,511	grab	-	791	791
EQ-MC-100	384743,803	7956513,111	grab	-	534	534
EQ-MC-104	386840,078	7961350,257	grab	-	578	578
EQ-MC-105	387292,732	7963690,995	grab	-	1656	1656
EQ-MC-106	386896,584	7964338,675	grab	-	669	669
EQ-MC-107	386523,148	7965089,860	grab	-	943	943
EQ-MC-108	388439,802	7965088,376	grab	-	674	674
EQ-MC-110	389646,516	7966630,308	grab	-	850	850
EQ-MC-115	392270,046	7971381,129	grab	-	549	549
EQ-MC-118	386922,301	7974850,925	grab	-	598	598
EQ-MC-125	396978,447	7973390,862	grab	-	536	536
EQ-MC-130	402063,767	7972820,375	grab	-	1302	1302
EQ-MC-143	394340,280	7954524,155	grab	-	511	511
EQ-MC-145	394695,389	7956385,191	grab	-	705	705
EQ-MC-147	346713,758	7968379,406	grab	-	592	592
EQ-MC-148	346531,976	7971236,989	grab	-	747	747
EQ-MC-149	348831,955	7970444,470	shallow hole	0.60m	1326	1326
EQ-MC-151	343153,616	7969984,586	grab	-	1343	1343
EQ-MC-152	342306,610	7968829,710	grab	-	1717	1717
EQ-MC-154	338778,561	7968120,827	grab	-	845	845
EQ-MC-155	335646,262	7967502,078	grab	-	1222	1222
EQ-MC-156	330951,527	7967923,026	grab	-	1320	1320
EQ-MC-157	330337,374	7968717,874	shallow hole	0.50m	1838	1838

EQ-MC-158	336171,565	7968247,461	grab	-	1595	1595
EQ-MC-163	342236,921	7971243,875	grab	-	645	645
EQ-MC-166	334156,617	7979233,658	grab	-	1842	1842
EQ-MC-167	333184,308	7979806,134	grab	-	837	837
EQ-MC-174	334178,877	7982173,726	grab	-	506	506
EQ-MC-175	334703,484	7982163,768	grab	-	508	508
EQ-MC-176	333977,543	7981704,657	grab	-	984	984
EQ-MC-179	349065,813	7986788,420	grab	-	657	657
EQ-MC-181	347237,174	7983884,324	grab	-	906	906
EQ-MC-184	345382,524	7980197,068	grab	-	775	775
EQ-MC-185	344475,954	7980940,572	grab	-	627	627
EQ-MC-186	352940,782	7957120,191	channel	1m	2260	2260
EQ-MC-187	352940,782	7957130,191	channel	0.85m	2299	2299
EQ-MC-188	352940,782	7957140,191	channel	0.75m	2243	2243
EQ-MC-190	353191,926	7949806,997	grab	-	900	900
EQ-MC-196	349949,602	7952311,379	grab	-	1218	1218
EQ-MC-197	347354,977	7950900,770	channel	1m	2663	2663
EQ-MC-198	347312,645	7950585,308	channel	1m	2131	2131
EQ-MC-204	350992,634	7949717,981	grab	-	2866	2866
EQ-MC-205	345776,562	7949025,041	channel	1m	2725	2748
EQ-MC-206			channel	1m	2770	
EQ-MC-207	346564,202	7948371,319	channel	0.70m	2269	2582
EQ-MC-208			channel	0.50m	2896	
EQ-MC-209	360801,077	7921217,921	channel	0.50m	2555	2555
EQ-MC-210	358438,369	7922888,251	grab	-	2089	2089
EQ-MC-212	359508,934	7921584,169	grab	-	2412	2412
EQ-MC-214	363477,003	7921398,748	channel	0.50m	2387	2105
EQ-MC-215			channel	0.50m	1823	
EQ-MC-216	363405,808	7920507,982	channel	1m	1430	1430
EQ-MC-217	359230,048	7912233,992	grab	-	1562	1562
EQ-MC-218	358006,761	7912418,983	channel	1m	1705	1705
EQ-MC-219	358007,441	7911931,953	channel	0.50m	1919	1919
EQ-MC-220	368892,265	7933384,131	channel	1m	2872	2872
EQ-MC-223	367889,623	7930675,007	channel	1m	1603	1241
EQ-MC-224			channel	0.50m	879	
EQ-MC-225	368188,657	7929817,232	channel	1m	2279	2325
EQ-MC-226			channel	1m	2371	
EQ-MC-227	368946,645	7929507,268	channel	1m	2172	2172

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 Minas Gerais survey of 2005-2006 for the area. • Details are as following: o Location - Patos de Minas-Araxá-Divinópolis o Project year 2005 o Contractor - Government of the State of Minas Gerais o Contractor – Consócio Lasa Engenharia e Prospecções S.A./Prospectors Aerolevantamentos e Sistemas Ltda o Method: Magnetometry o Area (km²) 68783 o Flight line spacing (m) 400 o Spacing of control lines (Km) 8 o Flight Height (m) 100 o Direction of N-S flight lines o Direction of E-W control lines o Linear kilometers flown 185264 o Year of Completion 2006 • Grab and channel samples collected on road cuts distributed along the area. Outcrops was cleaned, measured and 1 m to 3 m channel samples collected depending on local lithological variability. • All sampling sites were photographed for future reference.
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).*	• No drilling has been undertaken
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.*	• Not applicable as no drilling has been undertaken

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Criteria	JORC Code explanation	Commentary
	• *The total length and percentage of the relevant intersections logged.*	
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. • Grab and channel 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 Geosol and ALS Laboratory in Vespasiano (greater Belo Horizonte). In the SGS Geosol the preparation comprising oven drying, crushing of entire sample to 75% < 3mm followed by rotary splitting and pulverization of 250 grams at 95% minus 150#. In the ALS Laboratory the preparation comprising oven drying, crushing of entire sample to 70% < 2mm followed by riffle splitting and pulverization of 250 grams at 85% minus 75#. • The < 2mm rejects and the 250 grams pulverized sample will be returned to the Company 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 head assay tests for the samples were conducted by the SGS Geosol Laboratory and ALS Laboratory, both in Vespasiano, Minas Gerais - Brazil. • The assay techniques used for REE is a recognized industry standard analyses technique for REE suite and associated elements. **SGS Geosol**: a) IMS95A - Lithium Metaborate Fusion followed by Inductively Coupled Plasma Mass Spectrometry (ICP MS) was employed to determine concentrations of Rare Earth elements. Detection limits for some elements include: . Ce 0,1 - 10000 (ppm) Co 0,5 - 10000 (ppm) Cs 0,05 - 1000 (ppm) Cu 5 - 10000 (ppm) Dy 0,05 - 1000 (ppm) Er 0,05 - 1000 (ppm) Eu 0,05 - 1000 (ppm) Ga 0,1 - 10000 (ppm) Gd 0,05 - 1000 (ppm) Hf 0,05 - 500 (ppm) Ho 0,05 - 1000 (ppm) La 0,1 - 10000 (ppm) Lu 0,05 - 1000 (ppm) Mo 2 - 10000 (ppm) Nb 0,05 - 1000 (ppm) Nd 0,1 - 10000 (ppm) Ni 5 - 10000 (ppm) Pr 0,05 - 1000 (ppm) Rb 0,2 - 10000 (ppm) Sm 0,1 - 1000 (ppm) Sn 0,3 - 1000 (ppm) Ta 0,05 - 10000 (ppm) Tb 0,05 - 1000 (ppm) Th 0,1 - 10000 (ppm) Tl 0,5 - 1000 (ppm) Tm 0,05 - 1000 (ppm) U 0,05 - 10000 (ppm) W 0,1 - 10000 (ppm) Y 0,05 - 10000 (ppm) Yb 0,1 - 1000 (ppm) b) ICP95A - Determination by Fusion with Lithium Metaborate – ICP OES for Major Oxides and other elements. Some elements and their detection limits include:

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td></td><td>Al2O3 0,01 - 75 (%) Na2O 0,01 - 30 (%)
Ba 10 - 100000 (ppm) P2O5 0,01 - 25 (%)
CaO 0,01 - 60 (%) SiO2 0,01 - 90 (%)
Cr2O3 0,01 - 10 (%) Sr 10 - 100000 (ppm)
Fe2O3 0,01 - 75 (%) TiO2 0,01 - 25 (%)
K2O 0,01 - 25 (%) V 5 - 10000 (ppm)
MgO 0,01 - 30 (%) Zn 5 - 10000 (ppm)
MnO 0,01 - 10 (%) Zr 10 - 100000 (ppm)

c) PHY01E: Loss on Ignition (LOI) was determined by calcining the sample at 1,000°C - (0.01 – 100%)

ALS Laboratory:
a) ME-MS81 - Lithium Borate Fusion followed by Inductively Coupled Plasma Mass Spectrometry (ICP MS) was employed to determine concentrations of Rare Earth elements. Detection limits for some elements include:
.
Ba 0,5 - 10000 (ppm)
Ce 0,1 - 10000 (ppm) Rb 0,2 - 10000 (ppm)
Cr 5 - 10000 (ppm) Sc 0,5 - 1000 (ppm)
Cs 0,01 - 1000 (ppm) Sm 0,03 - 1000 (ppm)
Dy 0,05 – 1000 (ppm) Sn 0,5 - 1000 (ppm)
Er 0,03 - 1000 (ppm) Sr 0,1 - 1000 (ppm)
Eu 0,02 - 1000 (ppm) Ta 0,1 - 10000 (ppm)
Ga 0,1 - 10000 (ppm) Tb 0,01 - 1000 (ppm)
Gd 0,05 - 1000 (ppm) Th 0,05 - 10000 (ppm)
Hf 0,05 - 500 (ppm) Ti 0,01 - 10 (%)
Ho 0,01 - 1000 (ppm) Tm 0,01 - 1000 (ppm)
La 0,1 - 10000 (ppm) U 0,05 - 10000 (ppm)
Lu 0,01 - 1000 (ppm) V 5 - 10000 (ppm)
Nb 0,05 - 1000 (ppm) W 0,5 - 10000 (ppm)
Nd 0,1 - 10000 (ppm) Y 0,1 - 10000 (ppm)
Pr 0,02 - 1000 (ppm) Yb 0,03 - 1000 (ppm)
Zr 1 - 10000 (ppm)</td></tr>
<tr><td>Verification of sampling and assaying</td><td>• 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.</td><td>• The only adjustments to the data were made transforming the elemental values into the oxide values. The conversion factors used are included in the table below

<table>
<tr><th>Element</th><th>Oxide</th><th>Factor</th></tr>
<tr><td>Ce</td><td>Ce_2O_3</td><td>1,2884</td></tr>
<tr><td>La</td><td>La_2O_3</td><td>1,1728</td></tr>
<tr><td>Sm</td><td>Sm_2O_3</td><td>1,1596</td></tr>
<tr><td>Nd</td><td>Nd_2O_3</td><td>1,1664</td></tr>
<tr><td>Pr</td><td>Pr_6O_{11}</td><td>1,2082</td></tr>
<tr><td>Dy</td><td>Dy_2O_3</td><td>1,1477</td></tr>
</table>
</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
		Eu Eu_2O_3 1,1579 Y Y_2O_3 1,2699 Tb Tb_4O_7 1,1762 Gd Gd_2O_3 1,1526 Ho Ho_2O_3 1,1455 Er Er_2O_3 1,1435 Tm Tm_2O_3 1,1421 Yb Yb_2O_3 1,1387 Lu Lu_2O_3 1,1371 • The TREO (Total Rare Earth Oxides) was determined by the sum of the following oxides: Ce_2O_3, La_2O_3, Sm_2O_3, Nd_2O_3, Pr_6O_{11}, Dy_2O_3, Eu_2O_3, Y_2O_3, Tb_4O_7, Gd_2O_3, Ho_2O_3, Er_2O_3, Tm_2O_3, Yb_2O_3, Lu_2O_3.
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 23S grid datum is used for current reporting. The samples collected are currently controlled by hand-held GPS with 4 m precision.
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.*	• The spacing and distribution of surface samples collected is sufficient to establish the level of REE elements present in surface. • 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 soil grab and channel samples in sealed plastic bags were sent directly to SGS Geosol and ALS Laboratory 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.*	• As of the current reporting date, no external audits or reviews have been conducted on the sampling techniques, assay data, or results obtained from this work. However, internal processes and checks were carried out consistently to ensure the quality and reliability of the data.

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.*	• The Mata da Cardo Project is situated about 400km from Belo Horizonte, along the Paranaíba River in south-eastern Brazil. • The tenement count considers 51 valid 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 data work.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Mata da Corda Group occupies an extensive plain of approximately 2,200 square kilometers on the eastern flank of the Arco do Alto Paranaíba. • This area is characterised by having rocks with kamafugitic affinity that appear in the form of subvolcanic plugs, volcanic flows and pyroclastic deposits (Patos Formation) and epiclastic deposits (Capacete Formation), with a predominance of explosive rocks (Seer et al., 1989). • The entire plateau is covered in iron-rich, predominantly clayey weathered soil, making it highly fertile for agriculture. Laterite crusts are common in the landscape. • From a geological point of view, volcanism in the region occurred in multiple pulses, as evidenced by the recurrent presence of pyroclastic levels, including tuffs, lapillites and breccias. rocks with kamafugitic affinity include mafurites and ugandites, which are ultrabasic rocks, characterised by the presence of feldspathoids instead of feldspars, in addition to abundant clinopyroxene, titanomagnetite and perovskite (Takehara, 2015). .

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.*
		• No drilling carried out.

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.*	• Data collected for this work is composed of surface sampling and geochemical analyses. Data were compiled without selective exclusion.
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.*	• The samples collected are point samples and do not provide a direct measurement of mineralisation widths. All samples from soil offer insights into the presence of mineralisation, but not

Criteria	JORC Code explanation	Commentary
	• *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').*	directly into widths or continuity of mineralisation.
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.*	• All exploration results are presented in the current report
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.*	• There is no additional substantive exploration data to 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.*	• Immediate future work is detailed surface sampling in regions where samples that have already been collected and analyzed presented high REE grades in clay.