ASX ANNOUNCEMENT
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JV Update: First Tranche of Funds Continue to Be Deployed & Government Account Review Signals Licence Transfer

- **Sinowin Lithium has continued to deploy funds from the first US$3 million tranche of its US$6 million Joint Venture (JV) commitment for the Mozambique 2 billion tonne Heavy Mineral Sands (HMS) project.**
- **The Mozambican Government is currently reviewing the Joint Venture Company's accounts — a strong indication that the licence transfer process is progressing to completion.**
- **Joint Venture partner Sinowin Lithium has formalised its first-year heavy mineral concentrate (HMC) production target at 130,000 to 160,000 tonnes per annum (tpa) and has set a five-year ramp-up goal of 800,000 tpa.**
- **The proactive deployment of funds ensures the JV will be fully prepared to commence project development upon completion of the Environmental and Social Impact Assessment (ESIA), on the critical path to production.**
- **The Port of Chongoene — constructed for a neighbouring heavy mineral sands project in Chibuto, Gaza Province — is now close to being operational. Located approximately 20 kilometres from the Corridor Sands Project, this port demonstrates the signficant infrastructure that supports mine development around our Corridor project.**

MRG Metals Limited (ASX: MRQ) ("MRG" or "the Company") advises that its Joint Venture partner, Sinowin Lithium, has continued to deploy funds from the first US$3 million tranche of its US$6 million commitment to advancing the 2 billion tonne HMS Joint Venture in Mozambique.

Additionally, the Mozambican Government is currently reviewing the Joint Venture Company's financial accounts, a procedural step that typically precedes final approval of the mining licence transfer.

This demonstrates continued Government engagement and provides confidence that approval of the licence transfers for Corridor Central (11142C) and Corridor South (11137C) is progressing in parallel with completion of the Environmental and Social Impact Assessment (ESIA).

Both Sinowin and MRG believe the ongoing deployment of funds & government engagement will accelerate the pathway to production once the licence transfers are approved, with a target to deliver Heavy Mineral Concentrate to customers within the next 12–18 months.

The Corridor Central Mining Licence was granted in January 2025 and the Corridor South Mining Licence was granted in June 2025 (refer to ASX Announcements 14 January 2025 and 1 July 2025).

Subsequent to the initial approval process for Corridor South (11137C), INAMI, Mozambique's National Mining Institute, issued a formal request to the Joint Venture to remove specific affected areas, including the Airport zone, from the JV's mine plans.

While the approvals pathway is slightly different to Corridor North, because this licence already has a formal mining licence in force rather than waiting on approvals, the practical process remains the same. The ESIA has already progressed through community consultation, meaning any affected areas have been fully identified.

INAMI has requested that for Corridor South, the JV actively work with INAMI and the community to carve out any affected areas before INAMI will grant the right to mine. In this process INAMI has instructed the JV to commence compensation discussion with affected parties. The JV is committed to this process.

For mine startup, and the first 10 years of operation, there will be minimal impact in this regard. For long term mine planning, the JV is currently evaluating and prioritising the exploration targets against impacts to community and the costs of compensation, including possible Resettlement Action Plans (RAP).

This process with INAMI is a positive progression towards formal mine approval.

Earlier this year Sinowin, as JV operator, advised the Chongoene Port and Rail Consortium that the Joint Venture's port capacity requirements will potentially increase to 360,000 tonnes per annum once external rail and port infrastructure is developed.

The Joint Venture has also set a five year production target of 800,000 tonnes per annum.

On 31 October 2025, Club of Mozambique reported that Ding Shang — the owner of the Corridor One deposit immediately north of MRG's Corridor North licence — financed the construction of the Port of Chongoene at a cost of approximately US$300 million to export their heavy mineral sands. The port is located roughly 20 kilometres south of MRG's Corridor Central Project.

Corridor Central (11142C) hosts the Koko Massava deposit, with a JORC Mineral Resource 1,534 million tonnes @ 5.5% THM with a high-grade area of 103 million tonnes @ 6.6% THM using a 5.5% cut-off grade (refer ASX Announcement 16 December 2021).

Corridor South (11137C) hosts the Nhacutse and Poiombo deposits, with a JORC Mineral Resource of 860 million tonnes @ 4.9% total heavy minerals (THM) with a high-grade area of 257 million tonnes @ 6.0% THM using a 5.0% cut-off grade (refer ASX Announcement 8 April 2022).

Combined, this represents a 2.39bn tonne JORC-approved resource.

Current Expenditure Focus

- Procurement of mining and processing equipment for pre-construction works;

- Completion of the Environmental and Social Impact Assessment (EIAS) and Resettlement Plan;
- Electrical infrastructure installation with Electricidade de Moçambique (EDM); and
- Ongoing in-country management and operational readiness.

This proactive deployment strategy ensures the Joint Venture can hit the ground running once the licences are formally transferred, allowing development and commissioning to progress rapidly toward production.

Sinowin to Lead Offtake Agreements

A key strength of MRG's Joint Venture structure with Sinowin Lithium is the complete de-risking of the offtake strategy — often a major barrier for early-stage resource projects.

Unlike most junior-led developments, where offtake must be secured before funding or construction, the MRG–Sinowin JV delegates all offtake responsibilities to Sinowin.

This structure:

- Removes the need for MRG to source offtake partners or negotiate long-term contracts independently;
- Eliminates the requirement for a pilot plant — avoiding up to US$10 million in CAPEX and associated delays;
- Streamlines project delivery by avoiding complex sampling and testwork logistics; and
- Leverages Sinowin's established commercial network in China to secure multiple offtake options and downstream engagement.

MRG Metals Chairman, Andrew Van Der Zwan, said:

"Sinowin's early deployment of development funding demonstrates its confidence in the project and reinforces the strength of our partnership. The Government's review of the Joint Venture Company's accounts marks one of the final steps in the Company and licence transfer process. As the ESIA is finalised and any oustanding issues are addressed, the project will continue to further de-risk. Delays caused by the Election aftermath appear to be behind us as we look to now progress along more anticipated time lines. With all preparations advancing in parallel, we remain firmly on track to transition into production once approval(s) is granted."

This announcement has been authorised for release by the MRG Metals Limited Board of Directors.

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