

SUCCESSFUL REHABILITATION TRIALS AND COMMUNITY PARTNERSHIPS AT KASIYA

KEY HIGHLIGHTS

- **Critical DFS workstream de-risked** – Mine Closure and Rehabilitation Plan based on empirical field data from Sovereign's successful pilot mining and rehabilitation trial.
- **Second year of rehabilitation trials near completion** – Extended programme builds on proven first-year results and demonstrates that land can be rehabilitated post mining, with refined rehabilitation methods improving crop yields by 520% over multiple seasons.
- **Community partnership deepens** – Participating farmers to establish a farming co-operative, a central pillar of Sovereign's post-closure social transition strategy, to ensure sustainable results well beyond the completion of the trial.
- **Supports IFC collaboration** – Multi-year rehabilitation outcomes provide irrefutable empirical evidence of alignment with IFC Performance Standards, closure and rehabilitation planning incorporated in the DFS and ESIA.

Sovereign Metals Limited (ASX:SVM; AIM:SVML; OTCQX:SVMLF) (Sovereign or the Company) is pleased to announce that its second year of rehabilitation trials at the Kasiya Rutile-Graphite Project (**Kasiya or the Project**) is nearing completion during the upcoming harvest season in Malawi. The pilot mining, backfilling, and rehabilitation program is a key workstream and input into the Definitive Feasibility Study (**DFS**), which is being completed under the oversight of the Sovereign-Rio Tinto Technical Committee.



Figures 1 & 2: Pilot mining site post-mining and following rehabilitation.

The rehabilitation trials provide practical, multi-year evidence demonstrating Sovereign's alignment with international rehabilitation, environmental, and community good-practice standards. Empirical data from the trials has been used to prepare the Mine Closure and Mine Rehabilitation Plans, which are now integrated into the mining, backfilling and post-mining closure planning – critical components for project bankability and alignment with the standards required by development finance institutions.



The rehabilitation programme has also contributed to a significant community development outcome. After two years of close collaboration, the 28 local farmers involved in the trials have formally requested that Sovereign remains at the trial site and support them in establishing a farming co-operative. This represents a strong community endorsement of the program's value and is a central pillar of Kasiya's post-closure social transition strategy – demonstrating that the Project can deliver lasting economic benefits to local communities well beyond the mine life.

The outcomes directly complement the recently announced collaboration with the International Finance Corporation (IFC), a member of the World Bank Group, which is supporting integration of IFC Performance Standards into the Project's DFS and Environmental and Social Impact Assessment (ESIA), and strengthening Kasiya's pathway to bankable development and international project financing.

Sovereign Metals Managing Director and CEO Frank Eagar commented:

“Sovereign’s primary objective is to deliver sustainable returns for all stakeholders, including shareholders and local communities. Not only will the overwhelming success and empirical data collected through this pilot mining and rehabilitation trial underpin the DFS accuracy, but it also demonstrates that land post mining can be successfully rehabilitated and our ability to improve agricultural productivity. The 5-fold increase in maize yields will enable unprecedented and immediate secondary economic benefits. The emerging co-operative model is a practical example of our commitment in action – transforming mined land into more productive farmland while equipping local communities with the skills and infrastructure to thrive independently.”

PROVEN REHABILITATION RESULTS

The second year of trials builds on the success of the first year, which **delivered maize yields of 5.2 tonnes per hectare versus the regional average of 1 tonne per hectare** – a fivefold increase that **confirmed post-mining land can achieve superior agricultural productivity compared to pre-mining land**, which loses crop carrying capacity at 3 to 4% per annum.

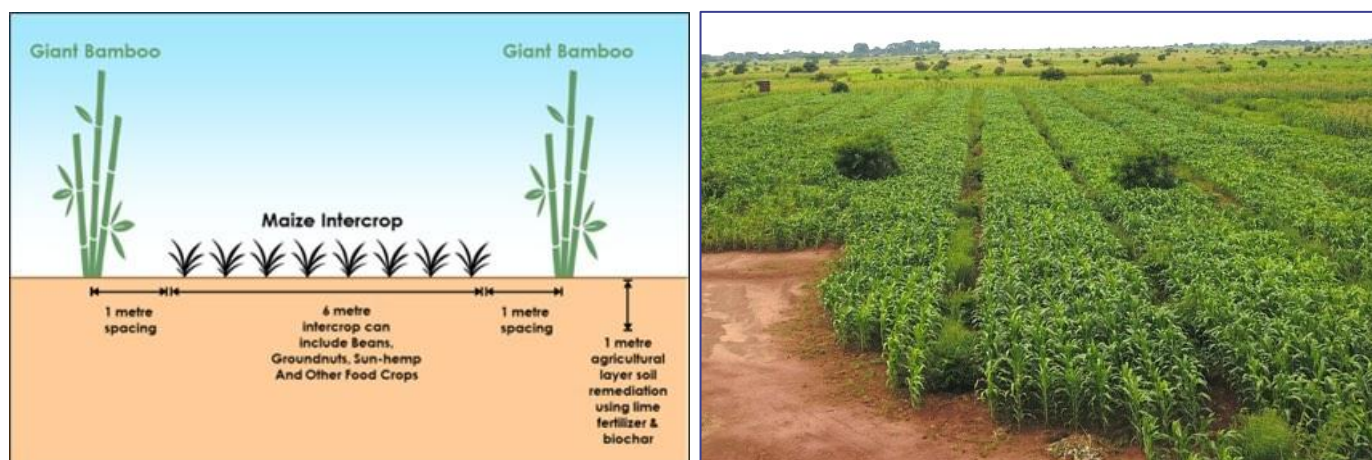
Sovereign's rehabilitation approach is designed to use agricultural inputs while maximising long-term agricultural sustainability. Lime, fertiliser and biochar were applied during the first year of rehabilitation, with only targeted supplementation in the second year where specific deficiencies in basic nutrients were identified. Rehabilitation activities are conducted under a no-tillage, minimal soil disturbance principle. No heavy machinery is permitted on rehabilitated soils; all activities are undertaken by hand to preserve soil structure and the effectiveness of applied ameliorants. This simple, replicable approach is specifically designed to be adopted and maintained by local farming communities beyond mine closure.

DIVERSIFIED CROPPING SYSTEM

The second year of trials has expanded the rehabilitation approach into a diversified multi-cropping system, combining maize with bamboo (Giant Bamboo – *Dendrocalamus asper*), winter beans, grass fodder and groundnuts. First-year results confirmed that bamboo and maize co-exist with minimal competition, functioning in a symbiotic manner that supports long-term land productivity. Through the intercropping approach, local farmers were able to exceed their usual crop yields, while, in parallel, the Bamboo has been allowed to mature as a long-term carbon and soil remediation solution. The multi-cropping approach provides participating communities with a wider range of food, cash and fodder crops – supporting year-round agricultural viability and the transformation from subsistence to commercial farming on rehabilitated land.



Second-year crop yields are expected to reach the first-year benchmark of 5.2 tonnes per hectare when harvested in mid-2026.



Figures 3 & 4: Bamboo and maize intercropping system & Sovereign's rehabilitation showing maize intercropped with bamboo (February 2026).

COMMUNITY PARTNERSHIPS

Farmer engagement and participation are central to the long-term success of Kasiya's rehabilitation strategy. The rehabilitation approach uses simple agronomic methods carried out largely by hand, ensuring that local communities can sustain and build on the improved farming practices beyond mine closure.

Sovereign has worked closely with local farmers over the past two years, who have been integral to the success of the rehabilitation program. This **deepening partnership has resulted in participating farmers formally requesting that Sovereign remains involved at the trial site and provide support in establishing a farming co-operative** – a strong endorsement of the program's value to the local communities. The development of community-led farming co-operatives forms a central pillar of Sovereign's post-closure social transition strategy. The Company plans to continue working with local farmers throughout 2026, with a view to establishing a replicable model that can be scaled across the broader Kasiya project area as mining progresses.



Figure 5: Rehabilitation site farmers with agreements on setting up a farming co-operative.



Figures 6-8: Images showing the progression of mining, backfilling and rehabilitation at Sovereign's Rehabilitation Trail Site.



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Forward Looking Statement

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This announcement has been approved and authorised for release by the Company's Managing Director & CEO, Mr Frank Eagar.