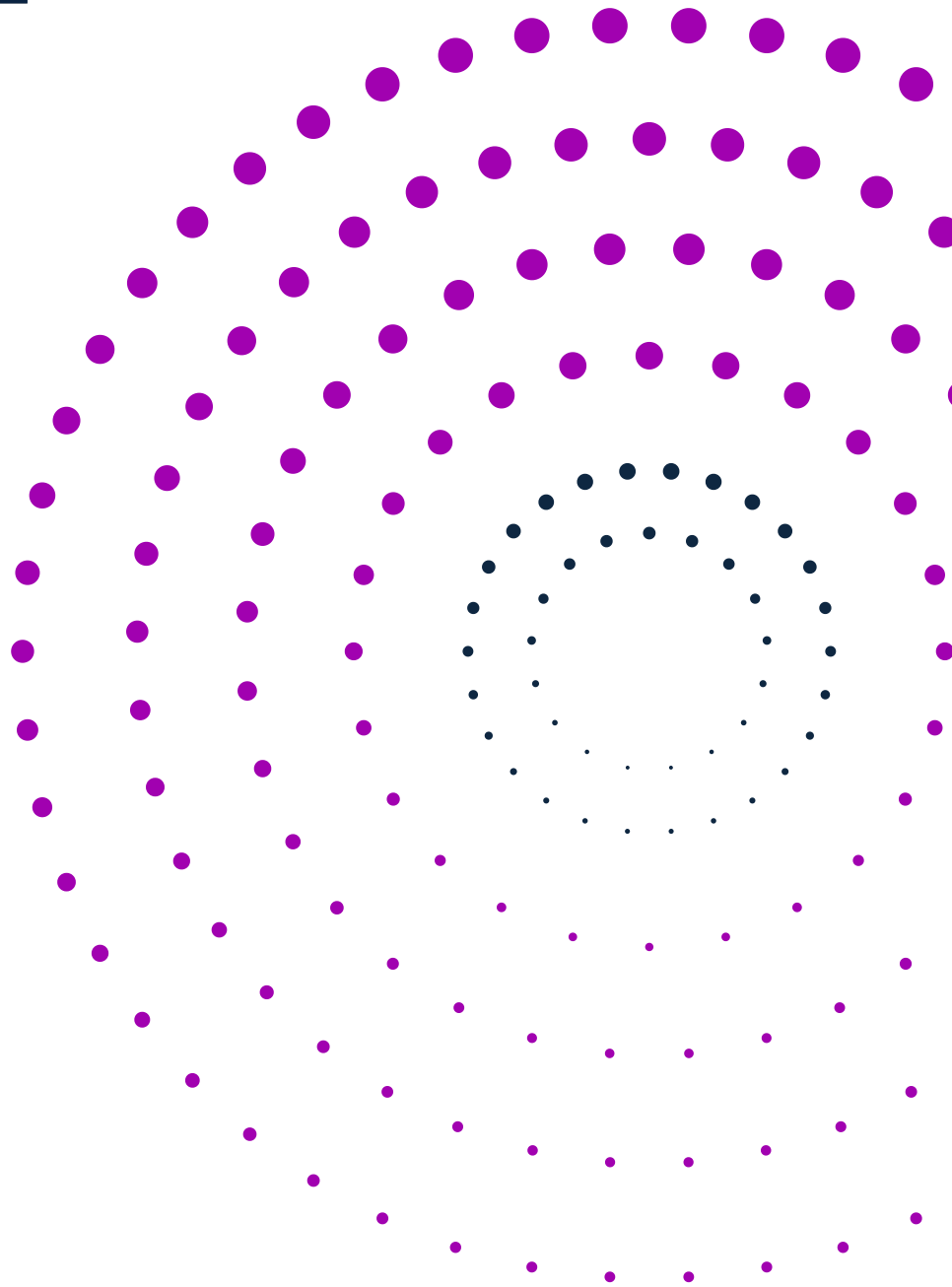




Annual Report

2026

Axel REE Limited

CONTENTS

Letter to Shareholders.....	3
FY2026 Review of Operations	4
Directors' Report	14
Remuneration Report.....	23
Auditor's Independence Declaration	32
Consolidated Statement of Profit or Loss and Other Comprehensive Income	33
Consolidated Statement of Financial Position	34
Consolidated Statement of Changes in Equity	35
Consolidated Statement of Cash Flows	36
Notes to the financial statements	37
Consolidated Entity Disclosure Statement	53
Directors' Declaration.....	54
Independent Auditor's Report.....	55
Supplementary Information.....	60
Corporate Directory	66

Letter to Shareholders

Dear Shareholders,

On behalf of the Board, we present Axel REE Limited's Annual Report for the year ended 30 June 2026 (**FY26**). This was the year Axel began to move from broad exploration toward resource definition, metallurgy and development studies across its Brazilian critical minerals portfolio.

Most of this work was undertaken at the Caladão Rare-Earth Elements (**REE**) and Gallium (**Ga**) Project in Minas Gerais. Drilling, resource definition and metallurgical programs continued across our principal target areas, and Woolrich remained the priority area for assessing an in-situ recovery (**ISR**) pathway. Our metallurgical work returned encouraging ionic rare earth recoveries under magnesium sulphate leaching conditions.

Soon after year-end, Axel announced positive outcomes from its Woolrich drilling campaign. On 24 September 2026 we issued an upgraded Woolrich Mineral Resource of 264.6Mt @ 1,101ppm total rare earth oxide (**TREO**) and 34.7ppm Ga, more than double the previous 128Mt Inferred Resource delineated in 2025. It includes a maiden Indicated Resource of 110.1Mt @ 1,073ppm TREO and 35.1ppm Ga, about 42% of the total and the first Indicated Resource at Caladão. The global Caladão Mineral Resource now stands at 708.6Mt @ 1,443ppm TREO, up 24%, and the gallium Mineral Resource has grown 31% to 575.7Mt @ 37.05ppm Ga. All deposits within the 420km² Caladão Project remain open along strike and at depth.

The 2026 Annual Report's Review of Operations sets out the year's exploration and technical results in more detail.

The next step at Woolrich is to finish leach optimisation and hydrogeological work, then design a controlled ISR field validation program. That program will test how the system behaves under field conditions and give us the site-specific evidence needed to decide whether to move to larger-scale pilot testing. We are also looking at low-impact ways to recover gallium, which could improve project economics.

The Caldas Project remains an important part of the portfolio. Work there continued on the scale and continuity of its clay-hosted rare earth mineralisation and its potential processing characteristics.

On the corporate side, we continued to build Axel's international market profile and strengthened the Company's leadership and technical capability as the business moves toward the next stage of project evaluation.

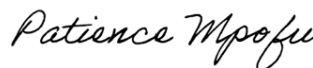
The Group reported a FY26 net loss after tax of \$3,640,527 and finished the year with a strong cash balance of \$5,733,346. Looking ahead to FY27, our focus is on advancing the Woolrich field program and the wider Caladão technical work while keeping the Company's financial position flexible.

Thank you to our shareholders for their ongoing support, and to our employees and consultants for their work efforts through the year. Last but not least, we want to convey our appreciation to local communities and regional authorities for their ongoing support as we develop our Brazilian critical minerals portfolio.

Yours sincerely,



Paul Dickson
Non-Executive Chairman

Dr Patience Mpofu
Managing Director



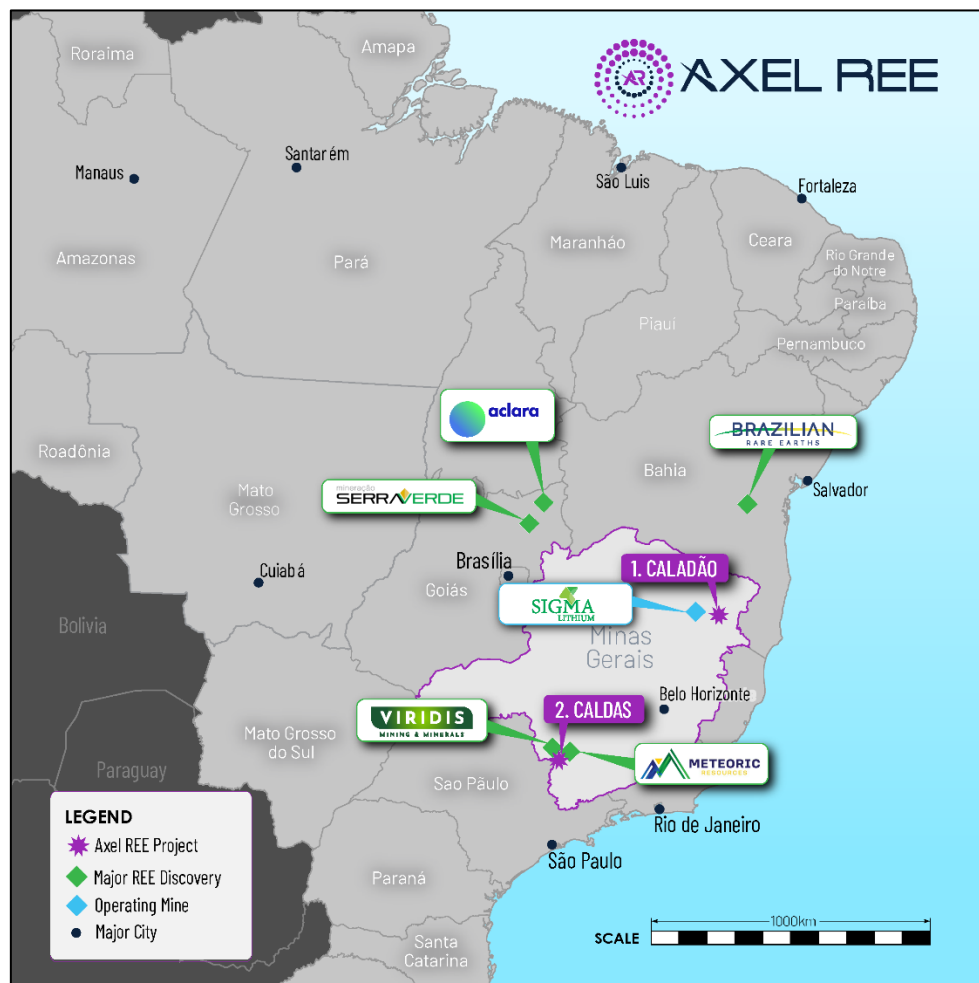
FY2026 Review of Operations

Overview

Axel REE Limited (ASX: AXL, FSE: HN8) (**Axel** or **the Company**) is a critical minerals exploration company. It holds two projects in Minas Gerais, Brazil: the Caladão REE-Gallium Project in the Lithium Valley district, and the Caldas REE Project around the margins of the Poços de Caldas Alkaline Complex.

The Company entered the financial year with no declared Mineral Resource. It finished the year with a combined Inferred Mineral Resource at Caladão of 572Mt at 1,506ppm TREO and 439Mt at 38ppm gallium, declared across three separate estimates delivered between August and December 2025.

The second half of the year moved the emphasis from resource definition to development testwork. Magnesium sulphate leach results from the Woolrich deposit in Area B, followed by column leach testing at Core Resources in Brisbane, supported an in-situ recovery (**ISR**) development concept for the ionic clay hosted rare earths. Woolrich was selected in April 2026 as the site of the Company's first ISR field trial, and infill drilling was completed over the deposit to support an upgrade in resource classification. A separate acid leach programme at the Australian Nuclear Science and Technology Organisation (**ANSTO**) improved gallium extraction and identified scandium as a potential co-product.



Map of Axel REE key projects in Brazil.

Mineral Resources at 30 June 2026

All Caladão Mineral Resources at 30 June 2026 were classified as Inferred under the JORC Code (2012). The Area A estimates were prepared by SRK Consulting (Brazil) and the Area B estimates by GE21 Consultoria Mineral Ltda.

Rare earth elements

Deposit	JORC category	Tonnes (Mt)	TREO (ppm)	MREO (ppm)
Area A	Inferred	233	2,133	463
Marambaia (Area B)	Inferred	126	1,154	274
Tiger Creek (Area B)	Inferred	85	1,050	125
Woolrich (Area B)	Inferred	128	1,013	190
Total	Inferred	572	1,506	

Gallium

Deposit	JORC category	Tonnes (Mt)	Ga (ppm)
Area A	Inferred	100	42
Marambaia (Area B)	Inferred	126	35.8
Tiger Creek (Area B)	Inferred	85	40.1
Woolrich (Area B)	Inferred	128	35.1
Total	Inferred	439	38

Area A REE reported at a 450ppm TREO cut-off within the saprolite domain and Area A gallium at a 35ppm Ga cut-off within the lateritic cover, for 4.2kt of contained gallium. Area B reported at a 500ppm TREO cut-off. Refer ASX announcements dated 22 August 2025, 1 October 2025 and 23 December 2025.

Caladão REE-Gallium Project

The Caladão Project covers approximately 415km² in the Lithium Valley district of Minas Gerais. Mineralisation is hosted in the weathering profile developed over the Caladão Granite and the Padre Paraíso Charnockite, with gallium concentrated in the lateritic cover and rare earths concentrated in the underlying saprolite. The drilled mineralised footprint stood at approximately 151km² at year end, about 35% of the project area.

Area A

Axel declared its maiden gallium Inferred Mineral Resource for Area A on 22 August 2025: 100Mt at 42ppm Ga for 4.2kt of contained gallium, at a 35ppm Ga cut-off. The estimate was confined to lateritic cover averaging about 10 metres in thickness over a mineralised area of roughly 33km². SRK Consulting (Brazil) prepared the estimate.

A maiden REE Inferred Mineral Resource for Area A followed on 1 October 2025: 233Mt at 2,133ppm TREO with 22% MREO/TREO, reported at a 450ppm TREO cut-off within the saprolite domain. SRK applied metallurgical efficiencies of 31.2% in the upper saprolite and 26.7% in the lower saprolite, drawn from historical parameters for a deposit in a different Brazilian state. SRK identified metallurgical recovery as the main factor limiting the material captured within

the modelled envelopes, and its internal scenarios indicated that recoveries above 50% would increase the estimate by more than 100%.

On 17 October 2025 the Agência Nacional de Mineração granted three exploration licences totalling approximately 867 hectares (831.515/2020, 831.383/2025 and 831.384/2025), contiguous with Area A and covering the same plateau setting of lateritic cover over the Caladão Granite. A 49 hole auger programme commenced over the granted ground. The licences are held by Lobo Guara Mineracao e Representacao Eire and were agreed to transfer to Axel on grant, with Axel taking legal and beneficial interest in all metals and minerals other than lithium.

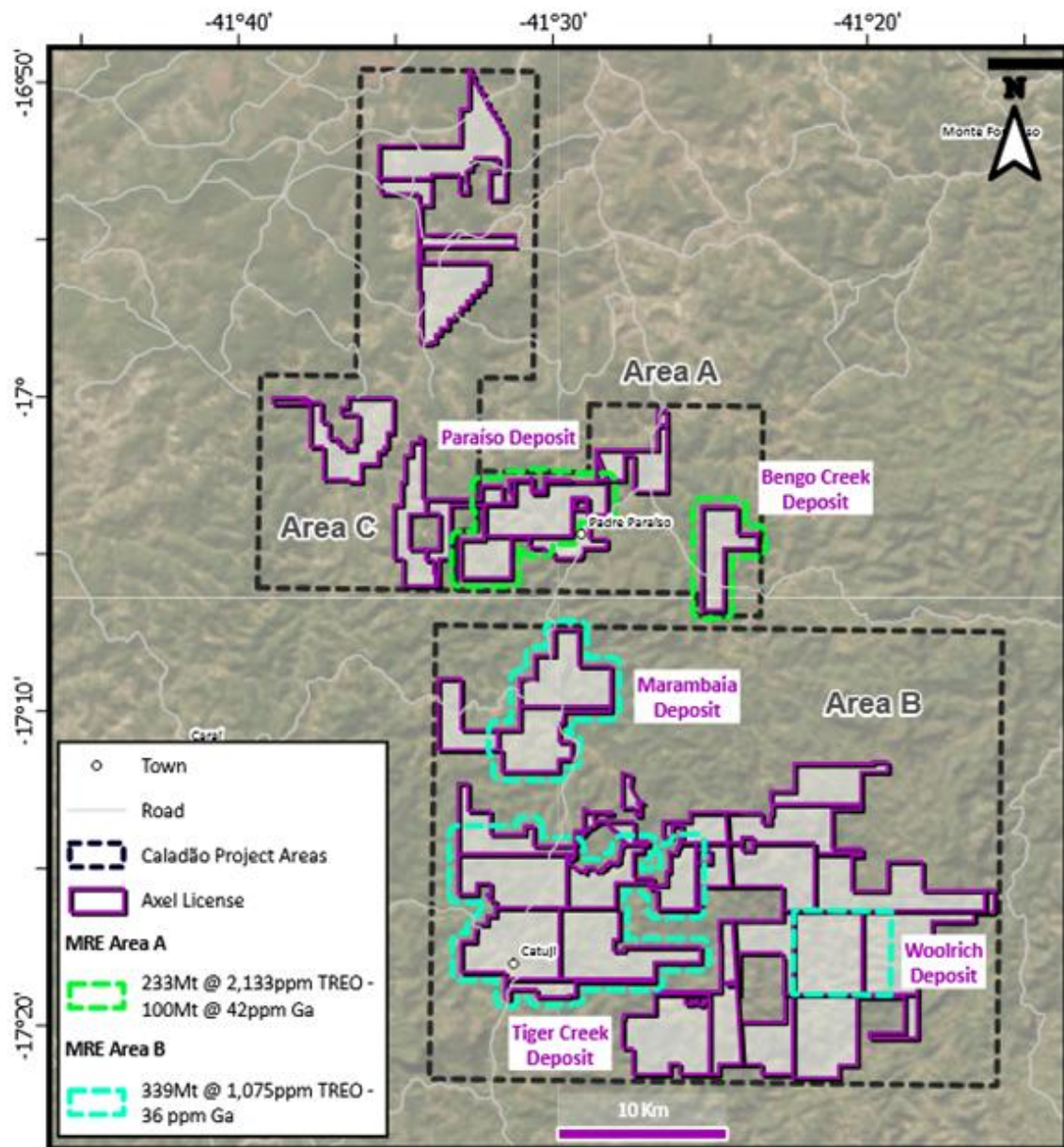
The Paraíso target within Area A returned magnesium sulphate leach results on 2 February 2026 that identified a second leachable centre at Caladão alongside Woolrich. Grade thickness values reached 13,705 gram metres of soluble TREO in CLD-DDH-028, with soluble MREO averaging about 41% to 42% of soluble TREO and NdPr about 39% to 40%. Axel interprets Paraíso as comprising up to nine potential wellfield domains.

Area B and Area C

Auger drilling at Area B through the first half of the year returned consistent shallow gallium intercepts from surface. Results reported on 16 July 2025 included CLD-AUG-468 at 15m at 83g/t Ga_2O_3 from surface, CLD-AUG-477 at 19m at 74g/t Ga_2O_3 from surface and CLD-AUG-464 at 9m at 86g/t Ga_2O_3 from surface. Rare earth intercepts from the same programme included CLD-AUG-447 at 5m at 4,801ppm TREO (20% MREO) from 15 metres.

Step-out drilling reported on 10 September 2025 extended Area B to the northeast and east, returning CLD-AUG-479 at 17m at 69g/t Ga_2O_3 from surface and CLD-AUG-487 at 17m at 65g/t Ga_2O_3 from surface, together with REE intervals including CLD-AUG-520 at 10m at 2,311ppm TREO (30% MREO) from 4 metres. The same programme identified a new zone, Area C, from seven holes for 48 metres. Area C sits on lateritic cover over leucogranitic and monzogranitic rocks, a different host to Areas A and B, and returned gallium up to 70.07g/t Ga_2O_3 from surface in CLD-AUG-490. The new ground added 23.4km² to the mineralised footprint, taking it to 115.6km² at that date.

GE21 Consultoria Mineral Ltda was appointed on 13 November 2025 to prepare the Area B Mineral Resource Estimate. The maiden Area B Inferred Mineral Resource was declared on 23 December 2025 at 339Mt at 1,075ppm TREO and 36.6ppm Ga, using a 500ppm TREO cut-off, across three deposits: Marambaia, Tiger Creek and Woolrich. Adding Area A, the combined Caladão inventory increased to 572Mt at 1,506ppm TREO, a 145% increase, and 439Mt at 38ppm Ga, a 339% increase.



Caladão REE-Gallium Project area (415km²)

Woolrich ISR deposit

Woolrich contributed 128Mt at 1,013ppm TREO and 35.1ppm Ga to the Area B estimate and became the Company's priority deposit during the second half of the year.

On 26 November 2025 Axel reported the first magnesium sulphate leach results from auger samples at Woolrich, tested by SGS at pH 4.5 under ambient conditions. Soluble TREO averaged 464ppm across the tested intervals, with MREO at approximately 42% of soluble TREO, NdPr at approximately 40% and DyTb at approximately 2%. The strongest intercepts were CLD-AUG-520 at 8m at 597ppm soluble TREO from 6 metres, ending in 609ppm, and CLD-AUG-510 at 10m at 590ppm soluble TREO from 5 metres. Several holes recorded higher soluble grades in the deepest sample than the interval average, and mineralisation remained open at depth. The Company compared these grades with the 486ppm soluble TREO resource grade reported for the operating Gerik ISL rare earths mine in Perak State, Malaysia.

On 13 April 2026 Axel selected Woolrich as the location for its first ISR field trial and defined an area of approximately 2 hectares for the test. The selection was based on low relief topography suited to gravity assisted drainage of pregnant leach solution, a well developed lateritic regolith over coarse pegmatitic granite, bedrock immediately below the mineralisation expected to act as a hydraulic boundary, and proximity to the strongest auger intersections from the November 2025 leach programme. Pregnant leach solution from the trial is to be supplied to Core Resources in Australia for downstream mixed rare earth carbonate production.

Assays for 137 holes from a 258 hole infill and step-out auger programme at Woolrich were reported on 6 May 2026. The programme was drilled on a 200m by 200m spacing across a footprint of approximately 2,000 hectares to support conversion of the Inferred Resource to Indicated classification and to provide geological inputs for wellfield design. Results included 1m at 8,517ppm TREO (41% MREO) with 269ppm DyTb, 4m at 3,740ppm TREO (36% MREO) and 10m at 3,055ppm TREO (34% MREO). Several intervals exceeded 10 to 12 metres in thickness from as shallow as 1 metre, including CLD-AUG-748 at 6m at 3,324ppm TREO from 1 metre and CLD-AUG-779 at 12m at 2,552ppm TREO from 1 metre. The assays also confirmed enrichment in dysprosium, terbium and yttrium, a heavy rare earth profile that differs from the predominantly light rare earth weighted deposits elsewhere in Brazil. Mineralised intervals were submitted to SGS for magnesium sulphate leach testing to define soluble rare earth distribution by domain.

Metallurgical testwork and the ISR development pathway

Metallurgical work during the year ran along two tracks: magnesium sulphate leaching of the ionic clay hosted rare earths for in situ recovery, and acid leaching of the shallow oxidised profile for gallium and scandium.

Magnesium sulphate and in situ recovery

First stage diagnostic testwork at ANSTO, reported on 30 July 2025, was completed on 39 three metre composites from two diamond holes 2km apart in Area A, DDH-018 and DDH-036. Ammonium sulphate and sodium chloride leaching at pH 4 for 30 minutes at ambient temperature desorbed magnet rare earths at up to 48% and 52% recovery respectively, confirming ionic adsorption clay rare earths at Caladão. DDH-018 returned an 18 metre interval averaging 632ppm MREO, of which 249ppm was leached. DDH-036 returned up to 139ppm DyTb together with substantial yttrium recoverable by acid leach. First pass acid leaching recovered 25% of the gallium. Axel also engaged CETEM, Brazil's national mineral technology research centre, to run a six week characterisation and magnetic separation study on approximately 5kg of gallium bearing material at its Rio de Janeiro laboratories.

Diagnostic and column leach testing moved to Core Resources in Brisbane during the March and June 2026 quarters. Eight diagnostic tests, reported on 20 April 2026, established that soluble TREO is relatively insensitive to magnesium sulphate concentration but responsive to pH. At pH 4.0, concentrations of 0.25M, 0.5M and 0.75M returned soluble TREO of 491ppm, 486ppm and 475ppm, while testing at the natural slurry pH of about 6.2 returned 356ppm. Acid consumption stayed at approximately 1.1 to 1.2kg/t H₂SO₄. The strongest diagnostic result was 546ppm at pH 3.5 with 0.25M magnesium sulphate. The first two columns, CLT-01 and CLT-02, achieved liquor breakthrough during April.

Column results reported on 22 June 2026 confirmed the ISR concept under dynamic flow conditions. CLT-01 recovered 560ppm soluble TREO at 39% MREO using 0.25M magnesium sulphate at pH 4.0, a 14% improvement on the LT02 diagnostic base case and higher than the best static diagnostic result, achieved under less aggressive chemistry. CLT-02, operated at 0.125M, recovered 494ppm. Impurity mobilisation stayed low throughout, with cumulative aluminium below 2ppm, iron below 0.5ppm, thorium below 5.5ppm and uranium below 4ppm. The column programme generated the first laboratory derived ISR operating parameters for Woolrich, covering breakthrough behaviour, recovery kinetics, reagent response and solution chemistry. A second pair of columns, CLT-03 and CLT-04, commenced following review of the first results.

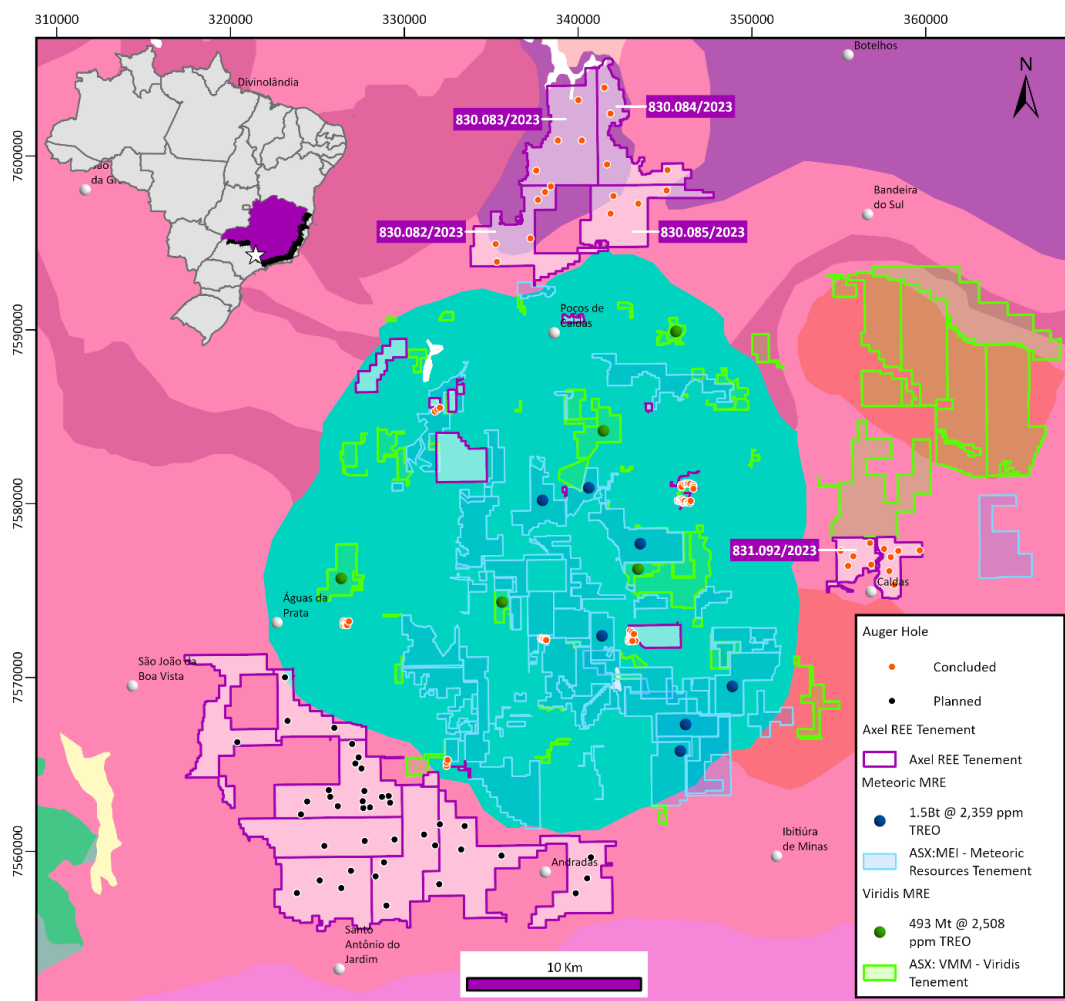
Gallium and scandium acid leach

ANSTO testwork reported on 27 January 2026 doubled gallium extraction from the earlier 25% to approximately 50%, using oxalic acid on three metre composites from DDH-036 at pH 1 with acidity increasing to 64g/L at 50 degrees Celsius over 72 hours. Gallium recovery was still rising at the end of the test period. The same tests confirmed scandium reporting to solution under the same conditions, introducing a potential co-product. Follow up optimisation and downstream recovery studies were placed with Core Resources.

Further ANSTO acid leach results on 11 February 2026 compared hydrochloric and sulphuric acid on composites from the same two diamond holes. Hydrochloric acid gave the stronger response, with MREO recovery above 96% and up to 100% on selected composites, against 28% reported from the earlier five day sulphuric acid tests. Gallium recovery in these tests reached approximately 30%. The results define a longer term acid leach option capable of treating the portions of the profile that are not ionic clays, alongside the near term magnesium sulphate ISR pathway.

Caldas REE Project

The Caldas Project covers more than 228km² across multiple exploration licences inside the Poços de Caldas caldera and along its weathering contact, with tenure distributed across the northern, southern and central sectors of the complex.



Caldas Project

Auger results reported during the year confirmed broad near surface rare earth mineralisation developed over weathered leucogranite and gneissic basement on the outer margin of the caldera. At Caldas North, CAL-AUG-079 returned 6m at 1,370ppm TREO with 33% MREO and 26% HREO from 1 metre. At Caldas East, CAL-AUG-083 returned 10m at 1,552ppm TREO with 24% MREO, CAL-AUG-081 returned 3m at 1,237ppm TREO with 31% MREO and CAL-AUG-086 returned 2m at 1,110ppm TREO with 30% MREO. A 40-hole auger programme commenced at the Caldas South prospect along the external margin of the caldera in the same month.

Auger drilling was completed across the North, Central, East and South prospects during the March 2026 quarter. The geology team then began integrating the drilling and assay data to define an initial Exploration Target for the project in accordance with the JORC Code (2012), work that continued through the June 2026 quarter. Metallurgical testwork was initiated on composite samples from the key prospects, tailored to ionic clay processing routes, to assess rare earth recoveries and reagent requirements.

Corporate

Frankfurt Stock Exchange listing

Axel shares commenced trading on the Frankfurt Stock Exchange under the ticker HN8 on 18 July 2025, as part of a dual listing and international outreach strategy intended to improve access for European investors to the Company's Brazilian critical minerals projects. No new shares were issued in connection with the listing and the ASX remains the Company's primary exchange.

Board and management

Mr Aidan Nania was appointed a Non-Executive Director on 21 October 2025. Mr Nania is an investment banking executive and company director with more than 15 years across the natural resources, critical minerals and technology sectors, previously Head of Investment Banking for Casimir Capital (Australia) and Lucerne Investment Partners. He is Founder and Director of Arctic Graphite AS, Founder and CEO of Baker Street Mining & Energy Investments LLC, and a Director of Neoeco Limited. Mr Ian Kiers resigned as a Non-Executive Director on the same date due to other professional commitments, having served since the Company's initial public offering in July 2024.

Mr Ian Reid was appointed a Non-Executive Director on 3 March 2026. Mr Reid is a geoscience executive with more than 40 years of international experience, including subsurface and in situ resource expertise in Brazil, and was formerly Global Geoscience Lead at Karoon Energy Limited (ASX: KAR).

Dr Patience Mpofu was appointed Managing Director on 11 June 2026. Dr Mpofu has more than 25 years in the resources sector spanning metallurgy, mining operations, corporate strategy, capital markets, ESG and stakeholder engagement, including senior roles with South32 Limited, Anglo American and Sibanye-Stillwater. She holds a PhD in Mineral Processing focused on clay mineralogy, interfacial chemistry and sustainable processing systems, which is directly relevant to the Company's planned ISR field trials. Dr Mpofu is a Non-Executive Director of Orion Minerals Limited (ASX/JSE: ORN) and Founder and CEO of Insight Mining Experts.

Securities

On 14 November 2025 the Company advised that vesting conditions had been satisfied in respect of 1,500,000 restricted Performance Rights held by Non-Executive Chairman Paul Dickson and former director Ian Kiers. The rights vested under Milestone A, relating to conditional ASX listing approval and continued service twelve months after admission, and Milestone E, relating to the announcement of a 10Mt Inferred Resource at a minimum grade of 1,000ppm TREO. The rights converted into restricted fully paid ordinary shares that remain subject to escrow.

Events after the reporting period

Updated Woolrich Mineral Resource and maiden Indicated classification

GE21 Consultoria Mineral Ltda completed an updated Mineral Resource Estimate for the Woolrich deposit with an effective date of 30 July 2026, incorporating drilling completed through July 2026. The updated estimate is 264.6Mt at 1,101ppm TREO and 34.7ppm Ga at a 500ppm TREO cut-off, an increase of approximately 107% in tonnage on the previous 128Mt Inferred Resource. It includes a maiden Indicated Mineral Resource of 110.1Mt at 1,073ppm TREO and 35.1ppm Ga, about 42% of the updated Woolrich estimate, with the remaining 154.5Mt at 1,120ppm TREO and 34.5ppm Ga classified as Inferred. This is the Company's first Indicated Mineral Resource.

Deposit	JORC category	Tonnes (Mt)	TREO (ppm)	Ga (ppm)
Woolrich	Indicated	110.08	1,073	35.05
Woolrich	Inferred	154.51	1,120	34.48
Total Woolrich	Indicated + Inferred	264.60	1,101	34.72

Updated Woolrich Mineral Resource Estimate, effective date 30 July 2026, prepared by GE21 Consultoria Mineral Ltda.

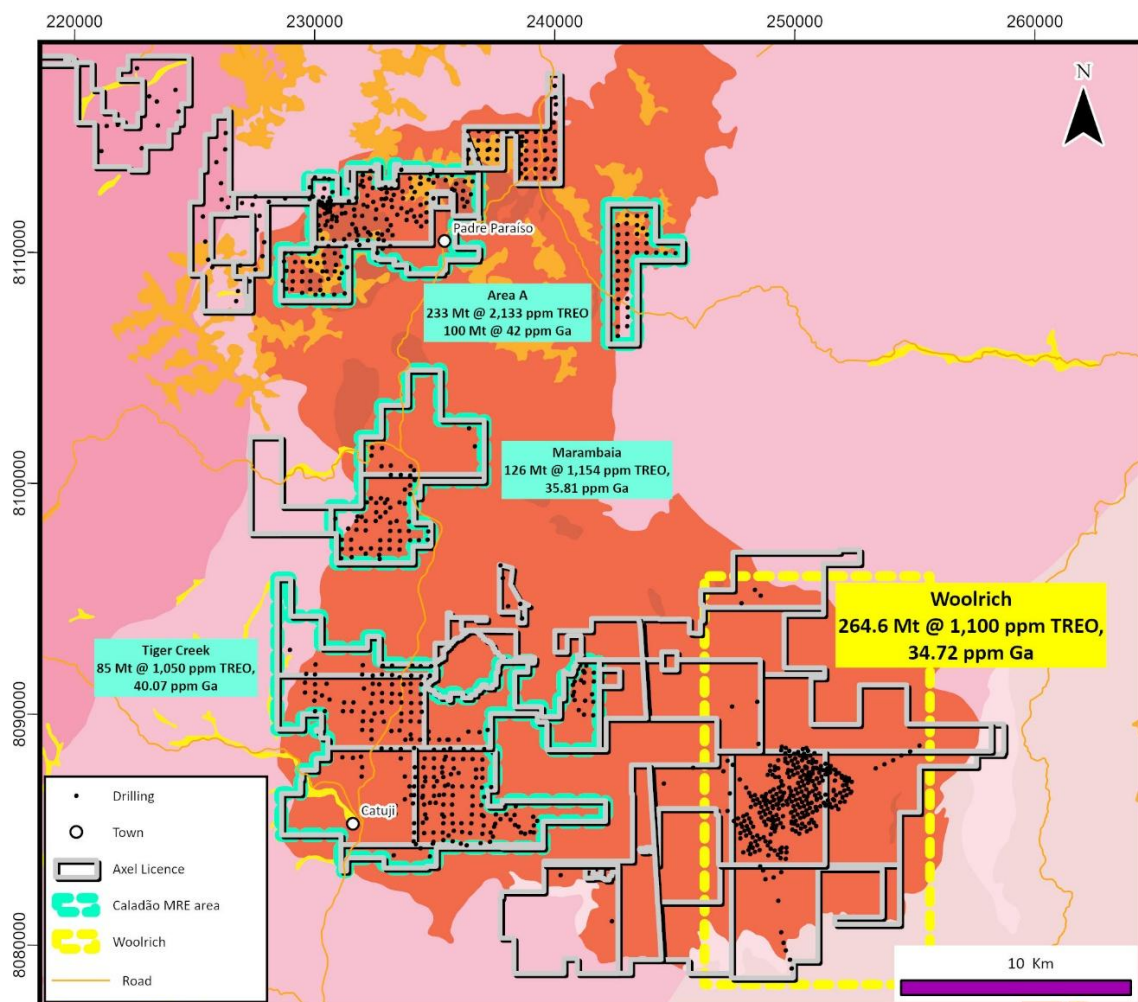
The update takes the consolidated Caladão rare earth Mineral Resource to approximately **708.6Mt at 1,443ppm TREO, a 24% increase**, and the consolidated gallium Mineral Resource to approximately **576Mt, a 31% increase**. Woolrich remains the Company's priority area for ISR evaluation. The updated estimate is based on total geochemical assays and is separate from the ongoing soluble rare earth metallurgical programme. GE21 has recommended further infill drilling to improve short range confidence, together with additional bulk density measurements including natural moisture determination.

Deposit	JORC category	Tonnes (Mt)	TREO (ppm)
Caladão Area A	Inferred	233.00	2,133
Marambaia	Inferred	126.00	1,154
Tiger Creek	Inferred	85.00	1,050
Woolrich	Inferred	154.51	1,120
Woolrich	Indicated	110.08	1,073
Total Caladão	Inferred	598.51	1,512
Total Caladão	Indicated	110.08	1,073
Total MRE	Inferred + Indicated	708.6	1,443

Global REE Mineral Resource Estimate at the Caladão Project, Minas Gerais

Deposit	JORC category	Tonnes (Mt)	Gallium (ppm)
Caladão Area A	Inferred	100.00	42.23
Marambaia	Inferred	126.07	35.80
Tiger Creek	Inferred	85.02	40.10
Woolrich	Inferred	154.51	34.48
Woolrich	Indicated	110.08	35.05
Total Caladão	Inferred	465.60	37.53
Total Caladão	Indicated	110.08	35.05
Total MRE	Inferred + Indicated	575.68	37.05

Global Gallium Mineral Resource Estimate at the Caladão Project, Minas Gerais



Caladão Project updated Mineral Resource areas showing Area A, Marambaia, Tiger Creek and the updated Woolrich Mineral Resource Estimate.

Caldas South leach results

On 30 July 2026 the Company reported rare earth assays and magnesium sulphate leach results from 28 auger holes for 315 metres across seven exploration licences covering 12,008.69 hectares on the south-western margin of the Poços de Caldas Alkaline Complex. CAL-AUG-125 returned 6m at 921ppm soluble TREO (35% MREO) from 3 metres, including 1m at 1,542ppm soluble TREO (38% MREO) from 5 metres. The results identify Caldas South as a second potential in situ recovery area within the portfolio, subject to confirmation of permeability, hydraulic continuity, containment and recoverability. Woolrich remains the Company's primary focus.

Gallium and scandium extraction at Tiger Creek

On 7 September 2026 the Company reported independent scoping leach testwork completed by Core Resources on composite COMP001 from the Tiger Creek target in Area B. The composite assayed 63ppm Ga, 10.6ppm Sc and 199ppm TREO, above the approximately 38ppm Ga grade of the wider Inferred gallium Mineral Resource. Across 18 batch leach tests at atmospheric pressure, oxalic acid at 100g/L and 90 degrees Celsius extracted 95% of the gallium and 74% of the scandium at a reagent consumption of 1,072kg/t of feed, while oxalic acid at 50g/L extracted 87% Ga and 71% Sc at 801kg/t. Sulphuric acid at 100g/L extracted 90% Ga and 70% Sc at 747kg/t. Core nominated the 50g/L oxalic acid condition as the preferred case for further investigation. The results are preliminary and specific to the Tiger Creek composite, and should not be read as representative of the 439Mt gallium Mineral Resource as a whole. The next phase of work targets reagent consumption, selectivity against aluminium and iron, and recovery of gallium and scandium from solution.

Competent Persons Statement (Exploration)

The information in this announcement that relates to Exploration Results is based on and fairly represents information and supporting documentation compiled by Mr Antonio de Castro, BSc (Hons), MAusIMM, CREA who acts as the Company's Senior Consulting Geologist through the consultancy firm, ADC Geologia Ltda. Mr. de Castro has sufficient experience which is 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 "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Mr Castro consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

Where reference is made to the Prospectus or previous announcements of Exploration Results and Geological Data, the Company confirms that it is not aware of any new information or data that materially affects the information included in those announcements and all material assumptions and technical parameters underpinning the estimates included in those announcements continue to apply and have not materially changed.

Competent Persons Statement (Mineral Resource Estimate)

The information in this announcement that relates to the Caladão Gallium and Rare Earths Mineral Resource is based on and fairly represents information compiled by Mr. Antonio de Castro (acting as the Company's Senior Consulting Geologist through the consultancy firm, ADC Geologia Ltda) and Mr. Leonardo Rocha (associate of GE21 Consultoria Mineral Ltda). Mr. de Castro is a Fellow of the Australasian Institute of Mining and Metallurgy, and Mr. Rocha is a member of Australasian Institute of Geoscientists. Both have sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserve Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. de Castro is the Competent Person for the geological and mineralisation model database (including all drilling information). Mr. Rocha is the Competent Person for the construction of the 3D geology/mineralisation model plus the mineral resource estimation. Mr Leonardo Rocha undertook a site visit to the Caladão Project between 11th to 13th November 2025. Mr de Castro has planned, managed and/or conducted work programmes for the Caladão Project, including drilling. He has visited the site on numerous occasions. Mr. de Castro and Mr. Rocha consent to the inclusion in this report of the matters on their information in the form and context in which they appear

Directors' Report

The Directors present their report on Axel REE Limited (**Axel or the Company**) and the entities it controlled (the Group) at the end of, and during the year ended 30 June 2026.

Directors

The Directors of Axel at any time during the reporting period up to the date of this report, unless otherwise stated were:

- Paul Dickson
- Dr. Patience Mpofu (appointed 11 June 2026)
- Patrick John Volpe
- Aidan Nania (appointed 21 October 2025)
- Ian Reid (appointed 3 March 2026)
- Ian Kiers (resigned 21 October 2025)

Paul Dickson (Non-Executive Chairman)

B.Ed. SF Fin Grad Dip TA

Paul Dickson has over 36 years of experience in the finance services industry. He has worked with a number of stock broking firms including Ord Minnett Ltd and Colonial Stock-broking Limited and more recently has been a director of a number of corporate advisory boutiques.

Mr Dickson is currently independent non-executive chair of Alligator Energy Ltd (ASX:AGE) and was appointed non-executive chair in 2018, where he oversaw the development of the Samphire Uranium Project's Blackbush Deposit and has progressed towards commencing a BFS following a successful field trial.

Mr Dickson was a founder/director of Paradigm Capital Pty Ltd and DDM Capital Pty Ltd, which provided a range of services including capital raising and general corporate advice for small-cap companies and Proserpine Capital Partners Pty Ltd, a private equity business based in Melbourne.

Former directorships in last 3 years: Nil

Dr. Patience Mpofu (Managing Director, appointed 11 June 2026)

PhD (Mineral Processing)

Dr Mpofu is a mining executive, director and critical minerals strategist with more than 25 years' experience across metallurgy, mining operations, corporate strategy, capital markets and ESG in the resources sector. She has held senior executive roles with South32, Anglo American and Sibanye-Stillwater (formerly Lonmin Plc), leading strategic, commercial and sustainability portfolios across multiple jurisdictions.

Her doctoral research focused on clay mineralogy, interfacial chemistry and sustainable processing systems, giving her specialist expertise in clay-hosted mineral systems and rare earth metallurgy that is directly relevant to the Company's ISR development strategy.

Dr Mpofu is the Founder and CEO of Insight Mining Experts, an advisory firm specialising in ESG and critical minerals strategy, through which she has advised governments, investors and mining companies and contributed to policy initiatives with the European Union, World Economic Forum and B20/G20 Energy Transition Taskforce.

Other listed company directorships: Orion Minerals Limited (ASX/JSE: ORN), non-executive director

Former directorships in last 3 years: Nil

Patrick John Volpe (Non-Executive Director)

CPA, Post Grad Taxation

Patrick Volpe is the Founder of the Company and has over 35 years' experience in minerals and metals exploration globally, including spending the previous 10 years developing strong relationships in Brazil where he accumulated the Company's portfolio across four states. Mr Volpe has intimate knowledge of Brazil's Mining laws and regulations and brings his strong relationships with local explorers and governments to the Company.

Mr Volpe was the founding director of A-Cap Resources Limited (acquired by Lotus Resources Limited ASX:LOT), who led the discovery and development of what is now known as one of the top 10 largest undeveloped uranium deposits in the world. Pat was the executive chairman of Botswana Metals Limited (renamed SI6 Metals Ltd, ASX:SI6), which made base and precious metals discoveries (nickel, copper and PGE's) in north-eastern Botswana and attracted a joint venture with Botswana's largest miner and smelting operation - BCL Limited, which is government owned.

Mr Volpe also chairs a private venture which has made a district scale graphite discovery in Botswana. He was also the founder and chairman of ASX-listed Cardia Bioplastics Limited (renamed Secos Limited, ASX:SES).

Other listed company directorships: Nil

Former directorships in last 3 years: Nil

Aidan Nania (Non-Executive Director, appointed 21 October 2025)

Mr Nania is an investment banking executive and company director with more than 15 years' experience across the natural resources, critical minerals and technology sectors. He was previously Head of Investment Banking at Casimir Capital (Australia) and Lucerne Investment Partners, where he advised and financed a number of ASX-listed and international resource companies.

He is the Founder and Director of Arctic Graphite AS, which is focused on developing sustainable European graphite supply, and previously served as a Director of Skaland Graphite AS in Norway. He is also Founder and CEO of Baker Street Mining & Energy Investments LLC and a Director of Neoeco Limited, a sustainability and ESG technology company.

Mr Nania brings capital markets, strategic partnership and sustainability experience to the Board, with a focus on positioning the Company's Brazilian gallium and rare earth projects within emerging Western supply chains for advanced materials.

Other listed company directorships: International Graphite Limited (ASX: IG6 / FWB: H99), executive director.

Former directorships in last 3 years: Nil

Ian Reid (Non-Executive Director, appointed 3 March 2026)

BSc (Geology) (First Class Hons), ARSM

Mr Reid is a senior geoscientist with more than 40 years' international experience across petroleum, geothermal and critical minerals, including extensive in-country experience in Brazil. He led the global geoscience function at Karoon Energy Ltd (ASX: KAR) for more than a decade, overseeing exploration, appraisal and development programs in Brazil's Santos and Campos Basins. This included the subsurface evaluation supporting Karoon's acquisition of the Baúna oil field concession (US\$380 million plus up to US\$285 million contingent) and the technical aspects of the sale of an interest in its Australian gas permits to Origin Energy (ASX: ORG) for up to US\$800 million.

His subsurface and in-situ resource expertise is directly relevant to the design and optimisation of the Company's ISR programs at Caladão.

Mr Reid has co-founded geoscience consulting companies focused on critical minerals innovation and technology commercialisation. Earlier roles include Exploration Director at AIM-listed Gold Oil Plc and senior technical positions with Shell International.

Other listed company directorships: Nil

Former directorships in last 3 years: Nil

Ian Kiers (Non-Executive Director, resigned 21 October 2025)

LB, BComm

Ian Kiers is an experienced private equity and mergers and acquisition specialist. He served as Non-Executive Chairman of Verity Resources Limited (ASX:VRL) and has been the Chief Executive Officer of a private family office (GBM Group) for 19 years having previously held positions as Head of Mergers and Acquisitions and Head of Group Strategy.

Prior to GBM Group, Mr Kiers was employed at National Australia Bank Limited in its structured finance and project finance division in Melbourne. While at the NAB he worked on numerous project financings in the resources sector.

Mr Kiers holds a Bachelor of Laws and Bachelor of Commerce from Melbourne University and was admitted to the Supreme Court of Victoria as a Barrister and Solicitor in 1989.

Other listed company directorships: Nil

Former directorships in last 3 years: Verity Resources (ASX:VRL)

Company Secretary

Mr Patrick Antonio Volpe was Company Secretary during the whole reporting period up to the date of this report.

Patrick Volpe (Company Secretary)

MB Econ, BCom (Eco, Fin), AGIA, MAICD

Patrick Volpe is an experienced corporate governance and financial services professional and has provided corporate governance management and company secretary services for private, not-for-profit, unlisted public and ASX-listed entities. He is currently Managing Director of a boutique corporate advisory firm and currently holds directorships and company secretarial positions in a range of ventures in metals and minerals resources exploration including graphite, lithium, gold and base metals, as well as biotech and managed investments. He is currently non-executive director and company secretary of Verity Resources Limited (ASX:VRL).

Mr Volpe holds a Master of Business Economics from Monash University, Bachelor of Commerce (Majoring in Economics and Finance) from Deakin University, is an Affiliated member of the Governance Institute of Australia and Member of the Australian Institute of Company Directors.

Meetings of Directors

The number of meetings of the Company's Directors held during the year ended 30 June 2026, and the number of meetings attended by each Director are as follows:

Director	Board of Directors Meetings	
	Eligible to attend	Attended
P Dickson	10	10
P Mpofu ¹	1	1
P J Volpe	10	10
A Nania ²	7	7
I Reid ³	3	3
I Kiers ⁴	2	2

¹ Dr Mpofu was appointed Director on 11 June 2026.

² Mr Nania was appointed Director on 21 October 2025.

³ Mr Reid was appointed Director on 3 March 2026.

⁴ Mr Kiers resigned as Director on 21 October 2025.

Principal Activities

The principal activities of the Company during the financial year included the acquisition, exploration and development of critical minerals resource projects in Brazil.

There were no significant changes in these activities during the financial year.

Review of activities

The Company's primary focus remained on continuing to develop the Caladão REE-Gallium Project and Caldas REE Project.

Financial position

At the end of the financial year the Group had \$5,733,346 in cash (2025: \$8,714,211).

Operating result

The consolidated net loss after income tax for the financial year was \$3,640,527 (2025: \$3,216,791 loss).

Significant changes in the state of affairs

Other than stated in this report, there have been no significant changes in the state of affairs of the Company and Group during or since the end of the financial year.

Material business risks

Exploration and development in the mineral sector inherently involve high levels of risk, with various uncertainties that can often fall outside the Group's reasonable control. These uncertainties stem from numerous factors, such as the inherent characteristics of the mineral exploration industry and fluctuations in economic conditions. The business risks identified as potentially having a significant impact on the Group's operations, financial performance, and overall results include:

Exploration and Operations

The mineral exploration permits comprising the Projects are at various stages of exploration, and prospective investors should understand that mineral exploration and development are high-risk undertakings.

There can be no assurance that future exploration of these exploration permits, or any other mineral licences that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, changing government regulations and many other factors beyond the control of the Company.

Sovereign Risk

The Company holds legal and beneficial interest in the Projects which are located in Brazil. There are numerous risk factors associated with operating in foreign jurisdictions, such as Brazil.

Possible sovereign risks associated with operating in Brazil include, economic, social or political instability or change, hyperinflation, changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, mine safety, labour relations as well as government control over mineral properties or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents. Any future material adverse changes in government policies or legislation in Brazil that affect foreign ownership, mineral exploration, development or mining activities, may affect the viability and profitability of the Company.

Further, it is possible that the current system of exploration and mine permitting in Brazil may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.

The Company has made investment and strategic decisions based on information currently available to the Board. Should there be any material change in the political, economic, legal and social environments in Brazil, or South America generally, the Company may reassess investment decisions and commitments to assets in Brazil and the region.

No assurance can be given regarding future stability in Brazil or any other country in which the Company may, in the future, have an interest.

Applications

The Tenements are at various stages of application and grant. Specifically, four Tenements are under application, including some with competing applications from third parties.

	There can be no assurance that any exploration permit applications will be granted or, if granted, will be granted in their entirety. The Company is unaware of any circumstances that would prevent Tenements in application status from being granted. If any of the Tenements in application status are not granted or are only granted for part of the area applied for, the Company will lose the benefit of certain areas of those Tenements for its exploration activities.
Renewal of Tenure	Mining and exploration permits are subject to periodic renewal. The renewal of the term of granted tenements is subject to compliance with the applicable mining legislation and regulations, including relevant reporting requirements, and such renewal is at the discretion of the relevant mining authority. Additional conditions on the Tenements may be imposed following renewal. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company. Generally, the holder of an exploration permit will have the ability to request a single renewal of the exploration permit which will be granted provided that the holder complies with the regulatory requirements (including submission of a report describing the exploration activities conducted and the technical justification for the continuation of exploration and payment of the required fee). The granted exploration permits have not yet been subject to any renewal requests. Accordingly, there is a risk that the granted exploration permits will not be renewed. Accordingly, the Company may, subject to compliance with the regulatory requirements, seek to apply for renewal of the exploration permits at the relevant time or lodge the necessary documentation to apply for conversion to a mining permit. There is a risk that the Company will not be able to comply with the relevant requirements to renew its tenure or convert the tenure into mining permits. The Company considers the likelihood of tenure forfeiture to be low given the laws and regulations governing exploration in Brazil and the ongoing expenditure budgeted for by the Company. However, the consequence of forfeiture or involuntary surrender of a granted Tenement for reasons beyond the control of the Company could be significant.
Grant of future authorisations to explore and mine	If the Company discovers an economically viable mineral deposit that it then intends to develop, it will, among other things, require various approvals, licences and permits before it will be able to mine the deposit. There is no guarantee that the Company will be able to obtain all required approvals, licenses and permits. To the extent that required authorisations are not obtained or are delayed, the Company's operational and financial performance may be materially adversely affected.
Resource and Reserves	As at 30 June 2026, the Company had declared a combined JORC (2012) Inferred Mineral Resource at the Caladão REE-Gallium Project of 572Mt at 1,506ppm TREO and 439Mt at 38ppm gallium, being the lowest level of geological confidence. Following the post year end update to the Woolrich estimate, the consolidated Caladão rare earth Mineral Resource increased to approximately 708.6Mt at 1,443ppm TREO and the gallium Mineral Resource to approximately 576Mt, including a maiden Indicated Mineral Resource at Woolrich. There is no certainty that further exploration work will result in the conversion of Inferred Mineral Resources to higher confidence categories, or that any Mineral Resource will be converted to an Ore Reserve. The Company has no Ore Reserves, and no JORC Code compliant Mineral Resource has been estimated on the balance of the Tenements, including the Caldas REE Project. Whilst the Company intends to undertake additional exploration and evaluation works with the aim of extending and upgrading its existing Mineral Resources and defining further resources elsewhere on the Tenements, no assurances can be given that those works will result in any increase in tonnage or grade, any upgrade in resource classification, or the determination of a resource on the balance of the Tenements. Even where a

	resource is defined, no assurance can be provided that it can be economically extracted. Reserve and resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature resource and reserve estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate.
Future funding requirements and the ability to access debt and equity markets	Additional funding may be required in the event exploration costs exceed the Company's estimates, to effectively implement its business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur. In addition, should the Company consider that its exploration results justify commencement of production on any of its Projects, additional funding will be required to implement the Company's development plans, the quantum of which remains unknown at the date of this Prospectus. The Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing arrangements or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of exploration, development or production on the Company's Tenements or even loss of a Tenement interest. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.
Currency volatility	The majority of the Company's business operations are, or will be, conducted in currencies other than the Australian dollar, primarily the Brazilian real. Additionally, most of the supplies and inputs for the Company's projects are priced in currencies other than the Australian dollar. Consequently, fluctuations in these foreign currencies relative to the Australian dollar could significantly impact the Company's financial results, which are denominated and reported in Australian dollars. The Company may occasionally implement hedging strategies to mitigate the risk of losses if the Australian dollar depreciates against foreign currencies. However, if the Company fails to effectively manage these risks, or if the hedging arrangements do not fully protect against currency fluctuations, the Company's financial performance could be adversely affected.
Commodity prices	Commodity prices are driven by both physical and investment demand, and fluctuations in these prices can significantly influence the Company's exploration and development activities. Should the Company achieve success in exploration that leads to mineral production, its revenue from commodity sales would expose the Company's potential income to risks associated with commodity prices and exchange rates. Commodity prices are inherently volatile and are affected by numerous factors outside the Company's control, including global demand, production costs in major commodity-producing regions, China's policies regarding its domestic rare earths industry, and the emergence of new technologies that may either create new demand or reduce demand for specific rare earth elements. Such fluctuations in commodity prices could impact the Company's project development, plans, and activities, including its capacity to finance these endeavours. The Company cannot guarantee the prices it will achieve for any mineral commodities it produces. A significant decline in commodity prices or an increase in transport or distribution costs could have a materially adverse effect on the Company and the value of its shares.

Interests in securities

As at the date of this report, the interests of the directors in the securities of Axel were:

	Number of ordinary shares*	Number of options over ordinary shares*	Number of performance share rights*
Mr Paul Dickson	1,130,000	190,000	Nil
Dr Patience Mpofo	Nil	Nil	Nil
Mr Pat Volpe	62,400,001	33,200,001	Nil
Mr Aidan Nania	Nil	Nil	Nil
Mr Ian Reid	Nil	Nil	Nil

*Includes securities in which the Director has an indirect interest through associated entities.

Shares under option

Unissued ordinary shares of Axel under option at the date of this report are as follows:

	Exercise price	Grant date	Expiry date	Number of shares under option
Options (ex. \$0.30)	\$0.30	17 April 2024	17 April 2027	1,750,000
Options (ex. \$0.37)	\$0.37	17 April 2024	17 April 2027	1,750,000
Advisor options (ex. \$0.30)*	\$0.30	17 July 2024	17 July 2027	5,000,000
Advisor options (ex. \$0.37)*	\$0.37	17 July 2024	23 July 2027	5,000,000
AXLO Listed Options (ex. \$0.20)	\$0.20	7 February 2025	7 February 2028	102,400,590

Options do not entitle the holder to participate in any share issue of the Company or any other body corporate. The holders of unlisted options are not entitled to any voting rights until the options are exercised into ordinary shares.

Dividends

No dividend has been paid since the end of the previous financial year and no dividend is recommended for the current year (2025: nil).

Events occurring after balance sheet date

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company to affect substantially the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

Indemnification and insurance of officers

To the extent permitted by law, the Company has indemnified each director and the secretary of the Company. The liabilities indemnified include costs and expenses that may be incurred in defending civil or criminal proceedings (that may be brought) against the officers in their capacity as officers of the Company or a related body, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a willful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company.

Indemnification and insurance of auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Group or any related entity.

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 19 to the financial statements. The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 19 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact on the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

Likely developments and expected results of operations

The Company expects to maintain exploration programs at its 100% owned critical metals projects in Brazil with the objective of identifying and developing commercial resources.

Environmental regulation

The Group's activities are subject to environmental regulations under Brazil federal and state legislation.

The Board believes that the Group has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those requirements as they apply to the Group.

Proceedings on behalf of the Group

The Group is not aware that any person has applied to the court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings in which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Group with leave of the court under section 237 of the Corporations Act 2001.

Officers of the company who are former partners of PKF Perth

There are no officers of the company who are former partners of PKF Perth.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after the remuneration report.

Auditor

PKF Perth continues in office in accordance with section 327 of the Corporations Act 2001.

Remuneration Report

Remuneration paid to Directors and Officers of the Company is set by reference to such payments made by other ASX listed companies of a similar size and operating in the mineral exploration industry. In addition, reference is made to the financial position of the Company and the specific skills and experience of the Directors and Officers.

Details of the nature and amount of remuneration of each Director, and other Key Management Personnel if applicable, are disclosed annually in the Company's Annual Report.

1. Key Management Personnel

Axel's KMP consists of the Board and Executives who have authority and responsibility for planning, directing and controlling the activities of the Company, either directly or indirectly. The table below lists the Group's KMP for 2026.

Name	Position	Term as KMP
Non-Executive Directors		
Paul Dickson	Independent, Non-Executive Chair	Full year
Pat Volpe	Non-Independent, Non-Executive Director	Full year
Aidan Nania	Independent, Non-Executive Director	Part year – appointed 21 October 2025
Ian Reid	Independent, Non-Executive Director	Part year – appointed 3 March 2026
Ian Kiers	Independent, Non-Executive Director	Part year – resigned 21 October 2025
Executive Directors		
Dr Patience Mpofu	Managing Director	Part year – appointed 11 June 2026
Other KMP		
Patrick Volpe	Company Secretary	Full year

2. Principles used to determine the nature and amount of remuneration

The remuneration strategy at Axel REE is designed to align the Group's key goals with both shareholder interests and the broader business objectives, focusing on critical performance areas that impact on the Group's financial outcomes. The Axel REE Board considers this remuneration strategy to be well-suited to its purpose.

Periodically, the Board may authorize incentives, bonuses, and options for executives. The remuneration strategy is structured to attract top-tier executives and compensate them for performance that drives long-term shareholder value. The expenses associated with remuneration are calculated at their cost to the Group. The Board is responsible for determining and overseeing the remuneration of the Managing Director.

For non-executive directors, the Board's policy is to offer compensation at market-competitive rates, reflective of their time, commitment, and responsibilities. When necessary, independent external advice may be sought. The maximum total fees payable to non-executive directors must receive shareholder approval at the Annual General Meeting, with the current cap set at \$500,000.

2.1 Remuneration Committee

The Company does not have a separate remuneration committee and as such all remuneration matters are considered by the Board as a whole, with no member deliberating or considering such matter in respect of their own remuneration.

In the absence of a separate Remuneration Committee, the Board is responsible for:

Remuneration Report (Continued)

- (a) Setting remuneration packages for Executive Directors, Non-Executive Directors and other Key Management Personnel, and
- (b) Implementing employee incentive and equity-based plans and making awards pursuant to those plans.

2.2 Remuneration Structure

In accordance with best practice corporate governance, the structure of non-executive Director and executive remuneration is separate and distinct.

2.3 Non-Executive Director Remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market.

The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration.

2.4 Executive Remuneration

Remuneration consists of fixed remuneration and variable remuneration (comprising short-term and long-term incentive schemes).

(a) Fixed Remuneration

Fixed remuneration is reviewed annually by the Board. The process consists of a review of relevant comparative remuneration in the market and internally and, where appropriate, external advice on policies and practices. The Board has access to external, independent advice where necessary.

(b) Variable Remuneration

The objective of the short-term incentive program is to link the achievement of the Group's operational targets with the remuneration received by the executives charged with meeting those targets. The total potential short-term incentive available is set at a level so as to provide sufficient incentive to the senior manager to achieve the operational targets and such that the cost to the Group is reasonable in the circumstances.

2.5 Remuneration Plans

The Company provides long term incentives to Directors and Employees pursuant to the Axel REE Employee Incentive Securities Plan, which was adopted in 2024.

The Board, acting in remuneration matters:

- (a) Ensures that incentive plans are designed around appropriate and realistic performance targets and provide rewards when those targets are achieved;
- (b) Reviews and approves existing incentive plans established for employees; and
- (c) Approves the administration of the incentive plans, including receiving recommendations for, and the consideration and approval of grants pursuant to such incentive plans.

2.6 Use of Remuneration Consultants

The Company has not engaged any remuneration consultants and the Board is satisfied that the recommendations were made free from undue influence from any members of key management personnel.

3. Executive Employment Agreements

The following table summarises the key employment terms for executive KMP.

Role	Contract term	Notice period by Executive	Notice period by Company	Termination benefits
Dr Patience Mpofu - Managing Director (appointed 11 June 2026)	Ongoing	3 months written notice	Three months in written notice, or immediate subject to serious misconduct	Three months base pay in lieu of notice

4. Non-Executive Director Remuneration Agreements

The following table outlines the Company's NED fee policy and terms.

Fee Policy	Description
Aggregate NED fee pool	In accordance with the Constitution, a Shareholder resolution has been passed providing that the maximum total amount of directors' fees that may be paid to the Company's NEDs is up to A\$500,000 per annum.
Board and Committee fees	NED fees reflect the obligations, responsibilities and demands of the Director role. The fees outlined in the table below are exclusive of statutory superannuation.

	FY26 fees (including superannuation where applicable)
Board fees	\$
Chair (Paul Dickson)	159,770
Non-Executive Director (Patrick J Volpe)	148,800
Non-Executive Directors (Aidan Nania, Ian Reid)	88,800

	FY26 fees (excluding superannuation)
Board Committee Fees	\$
There were no Board committee established during the period and no fees paid. The Board may consider establishing committees as its operations grow and will review committee fees at such time.	

The Company reimburses NEDs for reasonable expenses incurred in performing their duties (including in relation to any authorised independent professional advice sought by the NEDs to assist them in carrying out their duties as Directors).

5. Details of Remuneration

The table below provides the statutory remuneration disclosures for KMP in FY26. Amounts are prepared in accordance with Australian Accounting Standards.

Role	Contract term	Directors Fees \$	Professional Fees \$	Cash Bonus \$	Non-monetary \$	Superannuation \$	Performance Rights \$	Options \$	Total \$
Non-Executive Directors									
Paul Dickson	FY26	142,768	-	-	-	17,132	53,505	-	213,405
Patrick Volpe	FY26	148,800	-	-	-	-	-	-	148,800
Aidan Nania ¹	FY26	59,200	-	-	-	-	-	-	59,200
Ian Reid ²	FY26	26,429	-	-	-	3,171	-	-	29,600
Ian Kiers ³	FY26	27,213	-	-	-	-	(73,995)	-	(46,782)
Managing Director									
Dr Patience Mpofu ⁴	FY26	17,361	-	-	-	2,083	-	-	19,444
Other KMP									
Patrick Volpe ⁵	FY26	-	180,000	-	-	-	-	-	180,000
Total KMP	FY26	421,771	180,000	-	-	22,386	(20,490)	-	603,667

¹ Mr Nania was appointed Director on 21 October 2025.

² Mr Reid was appointed Director on 3 March 2026.

³ Mr Kiers resigned as Director on 21 October 2025. Share-based payments include a reversal of \$73,995 of previously recognised AASB 2 expense following the lapse or forfeiture of performance rights because the applicable non-market vesting conditions were not satisfied. The reversal does not represent negative cash remuneration.

⁴ Dr Mpofu was appointed Director on 11 June 2026.

⁵ Patrick Volpe provides Company Secretarial and financial controller services to the Company via Archikan Holdings Pty Ltd <JAP A/C> , and entity which Patrick is a beneficial owner.

Remuneration Report (Continued)

The table below provides the comparative statutory remuneration disclosures for KMP in FY25. Amounts are prepared in accordance with Australian Accounting Standards.

Role	Contract term	Fees (accrued for period)	Fees (paid in cash) \$	Professional fees (Accrued for period) \$	Professional fees (paid in cash) \$	Cash Bonus \$	Non-monetary \$	Superannuation \$	Performance Rights \$	Options \$	Total \$
Non-Executive Directors											
Paul Dickson	FY25	-	90,000	-	-	50,000	-	12,017	118,758	-	270,775
Patrick Volpe	FY25	-	88,800	-	-	100,000	-	-	-	-	188,800
Ian Kiers	FY25	-	88,800	-	-	-	-	-	118,758	-	207,558
Executive Director											
Fernando Tallarico ¹	FY25	-	27,665	-	339,180	-	-	-	50,373	-	417,218
Other KMP											
Patrick Volpe ²	FY25	-	122,000	-	-	70,000	-	-	-	-	192,000
Total KMP	FY25	-	417,265	-	339,180	220,000	-	12,017	287,889	-	1,276,351

¹ Fernando Tallarico (resigned 31 May 2025) provided monthly geological consulting services to the Company pursuant to a services agreement with Cosenza Consultoria em Mineração Ltda for a monthly services fee of AUD28,515 per month.

² Patrick Volpe provides Company Secretarial and financial controller services to the Company via Archikan Holdings Pty Ltd <JAP A/C>, and entity which Patrick is a beneficial owner.

6. Share-Based Remuneration

(a) Issue of Shares

Shares issued to directors and other key management personnel as part of compensation during the year:

On 13 November 2025, 750,000 ordinary shares were issued to Paul Dickson and 750,000 ordinary shares were issued to Ian Kiers upon vesting of performance rights Milestone A and Milestone E (refer Performance Rights below for further details on vesting conditions).

(b) Options Awarded, Vested and Lapsed During the Year

No options were issued to directors and other key management personnel as part of compensation during the year

(c) Performance Rights

The terms and conditions of each grant of performance rights over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Class	Name	Performance Rights at 30 June 2025	Grant date	Fair value per right at grant date	Vesting Conditions	Expiry date	Rights vested during the year	Rights lapsed during the year ¹
Class A	Paul Dickson	250,000	17/04/2024	\$0.20	The satisfaction of each of the following: a. receipt of conditional listing approval from ASX, on terms satisfactory to the Company; and b. the holder remaining a director of the Company for a period of 12 months post-Listing.	17/04/2026	(250,000)	–
	Ian Kiers	250,000	17/04/2024	\$0.20		17/04/2026	(250,000)	–
Class B	Paul Dickson	500,000	17/04/2024	\$0.147	The satisfaction of each of the following: a. the Company's 20-day volume weighted average share price (calculated across 20 consecutive trading days on which the Company's shares actually traded) (20-day VWAP) reaching 100% higher than the Offer price; and b. the holder remaining a director of the Company for a period of 24 months post-Listing.	17/04/2026	–	(500,000)
	Ian Kiers	500,000	17/04/2024	\$0.147		17/04/2026	–	(500,000)

Remuneration Report (Continued)

Class	Name	Performance Rights at 30 June 2025	Grant date	Fair value per right at grant date	Vesting Conditions	Expiry date	Rights vested during the year	Rights lapsed during the year ¹
Class C	Paul Dickson	500,000	17/04/2024	\$0.108	The satisfaction of each of the following: a. the Company's 20-day VWAP reaching 250% higher than the Offer share price; and b. the holder remaining a director of the Company for a period of 24 months post-Listing.	17/04/2026	–	(500,000)
	Ian Kiers	500,000	17/04/2024	\$0.108		17/04/2026	–	(500,000)
Class D	Paul Dickson	300,000	17/04/2024	\$0.04	On the Company completing 20,000m of auger drilling on a project area prospective for REE, of which drill holes return at least 1,000 metres of cumulative intersections with an average grade of 1,200ppm TREO (as verified by a Competent Person)	17/04/2026	-	(300,000)
	Ian Kiers	300,000	17/04/2024	\$0.04		17/04/2026	-	(300,000)
Class E	Paul Dickson	500,000	17/04/2024	\$0.04	On the Company announcing to ASX a 10Mt Inferred Resource at a minimum grade of 1,000ppm TREO for a REE Project (as verified by a Competent Person)	17/04/2026	(500,000)	-
	Ian Kiers	500,000	17/04/2024	\$0.04		17/04/2026	(500,000)	-

The following table shows the relative proportions of remuneration that are linked to performance and those that are fixed, based on the amounts disclosed as statutory remuneration expense in the tables above.

Key Management Personnel	Fixed Remuneration		Variable Remuneration		At Risk – STI (%)		At Risk – LTI (%)	
	2026	2025	2026	2025	2026	2025	2026	2025
Paul Dickson	75%	38%	25%	-	-	18%	25%	44%
Pat Volpe	100%	47%	-	-	-	53%	-	-
Patience Mpofu	100%	-	-	-	-	-	-	-
Aidan Nania	100%	-	-	-	-	-	-	-
Ian Reid	100%	-	-	-	-	-	-	-
Ian Kiers	76%	64%	24%	-	-	-	24%	36%
Patrick Volpe	100%	64%	-	-	-	36%	-	-

Remuneration Report (Continued)

This concludes the remuneration report, which has been audited.

Directors' Report

The Directors' report is signed in accordance with a resolution of Directors made pursuant to section 298(2) of the *Corporations Act 2001*.

On behalf of the Directors.



Paul Dickson

Chairman

Melbourne

Dated this 30th day of September 2026



PKF Perth
ABN 64 591 268 274
Dynons Plaza,
Level 8, 905 Hay Street,
Perth WA 6000
PO Box 7206,
Cloisters Square WA 6850
Australia

+61 8 9426 8999
perth@pkfperth.com.au
pkf.com.au

AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF AXEL REE LIMITED

In relation to our audit of the financial report of Axel REE Limited for the year ended 30 June 2026, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

A handwritten signature in black ink that reads "Simon Fermanis".

PKF PERTH

A handwritten signature in black ink that reads "Simon Fermanis".

SIMON FERMANIS
PARTNER

30 September 2026
PERTH, WESTERN AUSTRALIA

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2026

	Note	2026 \$	2025 \$
Revenue and other income			
Interest income		255,149	424,168
Other income		295	-
Administration expenses		(368,924)	(580,202)
Travel, marketing and investor relations expenses		(529,520)	(256,014)
Employee benefits expense		(443,912)	(458,157)
Exploration and evaluation expenses	3(a)	(2,270,919)	(1,686,019)
Corporate expenses		(278,023)	(242,000)
Depreciation of plant and equipment		(25,164)	(17,310)
Compliance costs		-	(113,368)
Share based payments	3(b)	20,491	(287,889)
Operating loss before tax		(3,640,527)	(3,216,791)
Income tax expense	9(a)	-	-
Loss for the period		(3,640,527)	(3,216,791)
Other comprehensive income/(loss)			
Exchange differences on translation of foreign operations	11(c)	(36,375)	(21,529)
Comprehensive loss for the period		(3,676,902)	(3,238,320)

Earnings per share for loss attributable to the ordinary equity holders of the Group	Note	2026 Cents	2025 Cents
Basic earnings per share	18	(2.07)	(1.89)
Diluted earnings per share	18	(2.07)	(1.89)

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position

As at 30 June 2026

	Note	2026 \$	2025 \$
CURRENT ASSETS			
Cash and cash equivalents	4	5,733,346	8,714,211
Trade and other receivables	5	71,298	203,179
Prepayments	7	-	386,566
TOTAL CURRENT ASSETS		5,804,644	9,303,956
NON-CURRENT ASSETS			
Property, plant and equipment	6	130,197	139,903
Other assets	7	-	14,762
TOTAL NON-CURRENT ASSETS		130,197	154,665
TOTAL ASSETS		5,934,841	9,458,621
CURRENT LIABILITIES			
Trade, other payables and accruals	8	207,689	219,765
Provisions for employee benefits		16,104	10,416
TOTAL CURRENT LIABILITIES		223,793	230,181
TOTAL LIABILITIES		223,793	230,181
NET ASSETS		5,711,048	9,228,440
EQUITY			
Issued Capital	10	13,425,762	13,293,762
Reserves	11	1,223,010	1,430,985
Accumulated losses		(8,937,724)	(5,496,307)
TOTAL EQUITY		5,711,048	9,228,440

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2026

	Share capital \$	Share based payment reserve \$	Foreign Exchange Translation Reserve \$	Accumulated losses \$	Total \$
2026					
Balance at 1 July 2025	13,293,762	1,454,850	(23,865)	(5,496,307)	9,228,440
Comprehensive income:					
Loss for the year	-	-	-	(3,640,527)	(3,640,527)
Foreign currency translation difference	-	-	(36,375)	-	(36,375)
Total comprehensive loss for the year	-	-	(36,375)	(3,640,527)	(3,676,902)
Transactions with owners in their capacity as owners:					
Issue of equity securities	132,000	(132,000)	-	-	-
Reclassification between reserves	-	(199,110)	-	199,110	-
Share based payments	-	159,510	-	-	159,510
Total movements in equity	132,000	(171,600)	-	199,110	159,510
Balance at 30 June 2026	13,425,762	1,283,250	(60,240)	(8,937,724)	5,711,048

	Share capital \$	Share based payment reserve \$	Foreign Exchange Translation Reserve \$	Accumulated losses \$	Total \$
2025					
Balance at 1 July 2024	1,692,968	341,961	(2,336)	(2,279,516)	(246,923)
Comprehensive income:					
Loss for the year	-	-	-	(3,216,791)	(3,216,791)
Foreign currency translation difference	-	-	(21,529)	-	(21,529)
Total comprehensive loss for the year	-	-	(21,529)	(3,216,791)	(3,238,320)
Transactions with owners in their capacity as owners:					
Issue of equity securities	13,283,775	-	-	-	13,283,775
Share issue costs	(1,682,981)				(1,682,981)
Share based payments		1,112,889	-	-	1,112,889
Total transactions with owners	11,600,794	1,112,889	-	-	12,713,683
Balance at 30 June 2025	13,293,762	1,454,850	(23,865)	(5,496,307)	9,228,440

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows

For the year ended 30 June 2026

	Note	2026 \$	2025 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(1,448,117)	(1,826,914)
Payments for exploration and evaluation expenditure		(1,890,878)	(2,072,585)
Interest received		409,963	259,011
Net cash used in operating activities	17(b)	(2,929,032)	(3,640,488)
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(15,458)	(157,213)
Net cash used in investing activities		(15,458)	(157,213)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from the issue of shares		-	3,614,776
Payments for share issue costs		-	(887,982)
Net cash provided by financing activities		-	2,726,794
Net increase/(decrease) in cash held		(2,944,490)	(1,070,907)
Cash and cash equivalents at beginning of year		8,714,211	9,806,647
Effects of exchange rate fluctuations on cash and cash equivalents		(36,375)	(21,529)
Cash and cash equivalents at end of year	17(a)	5,733,346	8,714,211

The accompanying notes form part of these financial statements.

Notes to the financial statements

For the financial year ended 30 June 2026

1. General Information

The consolidated financial statements of the Group, being Axel REE Limited (the Company or Parent) and its subsidiaries (collectively, the Group), for the year ended 30 June 2026 were authorised for issue in accordance with a resolution of the directors on 30 September 2026.

Axel REE Limited is a company limited by shares incorporated in Australia whose shares commenced trading on the Australian Securities Exchange (**ASX**) on 23 July 2024. Axel REE Limited is a for-profit entity for the purpose of preparing the consolidation financial statements.

The nature of the operations and principal activities of the Group are described in the directors' report. Information on the Group's structure and other related party relationships is provided in Note 20(b).

2. Statement of material accounting policy information

(a) Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has also been prepared on a historical cost basis.

The financial report is presented in Australian dollars and all values are rounded to the nearest dollar unless otherwise stated.

(b) Statement of compliance

The consolidated financial report of Axel REE Limited complies with Australian Accounting Standards, which include AIFRS, in their entirety. Compliance with AIFRS ensures that the financial report also complies with International Financial Reporting Standards ("IFRS") in their entirety.

(c) Adoption of new and revised Accounting Standards

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group during the financial year.

New standards and interpretations not yet adopted

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application date for future reporting periods and which the Group has decided not to early adopt.

Reporting basis and conventions

These financial statements have been prepared under the historical cost convention, and on an accrual basis.

Critical accounting estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

(d) Basis of consolidation

The consolidated financial statements comprise the financial statements of Axel REE Limited and its subsidiaries as at the end of each reporting period.

Subsidiaries are all those entities over which the Group has the power to govern the financial and operating policies so as to obtain benefits from their activities. Information regarding subsidiaries is disclosed in Note 15(a).

The financial statements of subsidiaries are prepared for the same reporting period as the Parent company, using consistent accounting policies or adjustments are made to the financial statements of subsidiaries to bring their accounting policies in to line with those used by other members of the Group.

In preparing the consolidated financial statements, all inter-company balances and transactions, income and expenses and profits and losses resulting from inter-group transactions, have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is transferred out of the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. The acquisition method of accounting involves recognising at acquisition date, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. The identifiable assets acquired and the liabilities assumed are measured at their acquisition date fair values.

The difference between the above items and the fair value of the consideration (including the fair value of any pre-existing investment in the acquiree) is goodwill or a discount on acquisition.

(e) Going concern

The financial report has been prepared on a going concern basis. In arriving at this position, the directors have had regard to the fact that the Company has, or in the directors' opinion will have access to, sufficient cash to fund exploration and other committed expenditure for a period of not less than 12 months from the date of this report.

The Group incurred a loss for the period of \$3,640,527 (2025: \$3,216,791) and net operating cash outflow of \$2,929,032 (2025: \$3,640,488). As at 30 June 2026, the Group's cash and cash equivalents decreased to \$5,733,346 (2025: \$8,714,211) and had a working capital surplus of \$5,580,851 (2025: surplus \$9,073,775).

The directors have prepared a cash flow forecast, which indicates that the Consolidated Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12-month period from the date of signing this report.

(f) Segment reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

Operating segments have been identified based on the information provided to the chief operating decision makers being the Board.

Operating segments that meet the quantitative criteria as prescribed by AASB 8 are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to users of the financial statements.

The Group determines and presents operating segments based on the information internally provided to the Board.

(g) Exploration and evaluation expenditure

The Group expenses exploration and evaluation expenditure as incurred in respect of each identifiable area of interest until a time where an asset is in development.

Exploration for and evaluation of mineral resources is the search for mineral resources after the entity has obtained legal rights to explore in a specific area as well as the determination of the technical feasibility and commercial viability of extracting mineral resource. Exploration and evaluation expenditure are expensed to the profit or loss as incurred except when existence of a commercially viable mineral reserves has been established and it is anticipated that future economic benefits are more likely than not to be generated as a result of the expenditure.

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgement in determining whether it is likely that future economic benefits are likely, which may be based on assumptions about future events or circumstances. Estimates and assumptions may change if new information becomes available. Exploration and evaluation costs, including the costs of acquiring licences, are expensed as incurred.

(h) **Foreign currency translation**

Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements of the Group are presented in Australian dollars, which is Axel REE Limited's functional and presentation currency.

Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Currency translation gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except for currency translation differences on net investment in foreign operations and borrowings and other currency instruments qualifying as net investment hedges for foreign operations, which are included in the currency translation reserve within equity in the consolidated financial statements.

Translation of group entities' financial statements

The results and financial position of all group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from Axel REE Limited's presentation currency are translated into the presentation currency as follows:

- (i) Assets and liabilities are translated at the closing rates at the date of the Statement of Financial Position.
- (ii) Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- (iii) All resulting exchange differences are recognised in the currency translation reserve within equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are taken to the foreign currency translation reserve. On disposal of a foreign group entity, the cumulative amount of the currency translation reserve relating to that foreign entity is reclassified from equity and recognised in profit or loss when the gain or loss on disposal is recognised.

(i) **Share based payment transactions**

Equity-settled share-based payments are measured at the fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of Profit and Loss and Other Comprehensive Income such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to reserves.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, a liability equal to the portion of the goods or services received is recognised at the current fair value determined at each reporting date.

(j) Fair value of Assets and Liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group.

3. Expenses

	2026 \$	2025 \$
(a) Exploration and evaluation expense comprise:		
Costs to acquire mineral exploration tenements	-	-
Operational exploration expenses	2,270,919	1,686,019
Total exploration and evaluation expense	2,270,919	1,686,019
(b) Share based payments expense comprise:		
Performance rights expense / (reversal)	(20,491)	287,889
Total share based payments expense	(20,491)	287,889

4. Cash and cash equivalents

	2026 \$	2025 \$
Cash at bank	5,733,346	8,714,211
Total cash and cash equivalents	5,733,346	8,714,211
Average interest rate on cash and cash equivalents	3.5%	4.6%

5. Trade and other receivables

	2026 \$	2025 \$
GST receivable	39,373	38,022
Interest on term deposits	10,638	165,157
Other receivables	21,287	-
Total trade and other receivables	71,298	203,179

6. Property, plant and equipment

	Machines and equipment \$	Vehicles \$	Computers \$	Total \$
Opening balance – 30 June 2025	85,320	49,345	5,238	139,903
Additions	12,596	12	2,850	15,458
Disposals	-	-	-	-
Depreciation expense	(12,596)	(11,150)	(1,418)	(25,164)
Total property, plant and equipment at 30 June 2026	85,320	38,207	6,670	130,197
Gross cost at 30 June 2026	107,929	56,050	9,170	173,149
Accumulated depreciation at 30 June 2026	(22,609)	(17,843)	(2,500)	(42,952)

	Machines and equipment \$	Vehicles \$	Computer s \$	Total \$
Opening balance – 30 June 2024	-	-	-	-
Additions	94,928	55,702	6,583	157,213
Disposals	-	-	-	-
Depreciation expense	(9,608)	(6,357)	(1,345)	(17,310)
Total property, plant and equipment at 30 June 2025	85,320	49,345	5,238	139,903
Gross cost at 30 June 2025	94,928	55,702	6,583	157,213
Accumulated depreciation at 30 June 2025	(9,608)	(6,357)	(1,345)	(17,310)

7. Other current and non-current assets

	2026 \$	2025 \$
Prepayments – exploration (current)	-	386,566
Related party receivable (non-current)	-	14,762

8. Trade and other payables

	2026 \$	2025 \$
Other / related party payables	-	-
Accrued expenses	104,070	71,085
Other trade payables	103,619	148,680
Total trade and other payables	207,689	219,765

9. Income tax

	2026 \$	2025 \$
(a) The components of income tax expense comprise		
Current tax	-	-
Under/(over) provision in prior years (current tax)	-	-
Total income tax benefit/(expense)	-	-

	2026 \$	2025 \$
(b) Reconciliation of income tax expense to prima facie income tax		
Loss before income tax from continuing operations	3,640,527	3,216,791
Prima facie tax benefit at 30%	1,092,158	965,037
Tax effect of:		
Tax rates in other jurisdictions	328,751	245,472
Non-deductible share based payments expenses	47,853	86,367
Other non-deductible expenses and tax-pack adjustments	(101,740)	52,340
Tax losses and temporary differences for which no deferred tax asset is recognised	817,294	580,858
Total income tax benefit/(expense)	-	-

	2026 \$	2025 \$
(c) Deferred tax asset/liabilities comprise		
Gross deferred tax assets	1,973,123	1,155,829
Deferred tax assets not recognised	(1,973,123)	(1,155,829)
Net deferred tax asset recognised	-	-

Deferred tax assets

The Group expects to have carried forward tax losses, which have not been recognised as deferred tax assets, as it is not considered sufficiently probable that these losses will be recouped by means of future profits taxable in the relevant jurisdictions. The utilisation of the tax losses is subject to the Group passing the required Continuity of Ownership and Same Business Test rules at the time the losses are utilised. Net deferred tax assets have not been brought to account as it is not probable within the immediate future that tax profits will be available against which deductible temporary difference can be utilised.

10. Issued Capital

	2026 No.	2026 \$	2025 No.	2025 \$
Ordinary Shares fully paid	175,954,487	13,425,762	174,454,487	13,293,762

Movements in ordinary share capital

2025				
Ordinary shares fully paid	Date	\$ per share	No.	\$
Opening balance	30-Jun-24		108,035,612	1,692,968
Issue of shares	15-Jul-24	\$0.20	66,418,875	13,283,775
Share issue costs			-	(1,682,981)
Closing balance	30-Jun-25		174,454,487	13,293,762

2026				
Ordinary shares fully paid	Date	\$ per share	No.	\$
Opening balance	30-Jun-25		174,454,487	13,293,762
Issue of shares	13-Nov-25	\$Nil ⁽¹⁾	1,500,000	132,000
Share issue costs			-	-
Closing balance	30-Jun-26		175,954,487	13,425,762

(1) On 13 November 2025, 1,500,000 performance rights converted into ordinary shares, increasing issued capital by \$132,000. The performance rights were issued to director Paul Dickson (750,000) and Ian Kiers (resigned 21 October 2025)(750,000) upon the vesting of performance milestones A and E.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Group in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

11. Reserves

	2026	2025
	\$	\$
Share options reserve	1,283,250	1,103,250
Share rights reserve	-	351,600
Foreign currency translation reserve	(60,240)	(23,865)
	1,223,010	1,430,985

(a) Share options reserve

The share options reserve is used to recognise the fair value of share options granted.

Movements in the share options reserve were:

	Unlisted Options ex. \$0.30 expiring 17 April 2027 No.	Unlisted Options ex. \$0.37 expiring 17 April 2027 No.	Unlisted Options ex. \$0.30 expiring 17 April 2027 No.	Unlisted Options ex. \$0.37 expiring 17 April 2027 No.	AXLO Options ex. \$0.20 expiring 7 February 2028 No.
Number of options granted at 1 July 2024	1,750,000¹	1,750,000¹	-	-	-
Pro rata entitlement offer options issued	-	-	-	-	79,400,590 ²
Options issued to Corporate Advisors	-	-	5,000,000 ⁴	5,000,000 ⁵	23,000,000 ³
Number of options on issue at 30 June 2025	1,750,000	1,750,000	5,000,000	5,000,000	102,400,590
Number of options granted at 1 July 2025	1,750,000	1,750,000	5,000,000	5,000,000	102,400,590
Movements during the year	-	-	-	-	-
Number of options on issue at 30 June 2026	1,750,000	1,750,000	1,750,000	1,750,000	102,400,590

¹ On 17 April 2024, 1,750,000 free unlisted Options exercisable at \$0.30 per Option expiring three years from the date of issue (1,000,000 to Mr Pat Volpe, Non-Executive Director, and 750,000 to Mr Patrick Volpe, Company Secretary (or their nominees)) (**Class A Options**) and a further 1,750,000 free unlisted Options exercisable at \$0.37 per Option

expiring three years from the date of issue (1,000,000 to Mr Pat Volpe - Non-Executive Director, and 750,000 to Mr Patrick Volpe - Company Secretary (or their nominees)) (**Class B Options**).

² On 7 February 2025, the Company completed a Bonus Options entitlement issue of 79,400,590 quoted options (ASX:AXLO) exercisable at \$0.20 expiring 7 February 2028.

³ 23,000,000 AXLO listed options were issued during the reporting period for the provision of corporate advisory and investor relations services. In accordance with AASB 2, the options were measured at the fair value of services received.

⁴ 5,000,000 free unlisted options were issued to advisors exercisable at \$0.37 and expiring 3 years from the date of the Company being admitted to the Official List (**Class C Options**).

⁵ 5,000,000 free unlisted options were issued to advisors exercisable at \$0.30 and expiring 3 years from the date of issue (**Class D Options**).

The weighted average exercise price of options on issue at 30 June 2026 was \$0.22 (2025: \$0.22).

The weighted average remaining contractual life of options on issue at 30 June 2026 was 1.53 years (2025: 2.66 years).

The fair value of unlisted options at grant date has been estimated using trinomial option pricing model, considering the terms and conditions upon which the options were granted. The following assumptions were used:

	Class A Options	Class B Options	Class C Options	Class D Options
Number of Options	1,750,000	1,750,000	5,000,000	5,000,000
Underlying share price	\$0.20	\$0.20	\$0.20	\$0.20
Exercise price	\$0.30	\$0.37	\$0.37	\$0.30
Expected volatility	100%	100%	100%	100%
Life of Options (years)	3	3	3	3
Expected dividend	Nil	Nil	Nil	Nil
Early exercise multiple	2.0	2.0	2.0	2.0
Risk free rate	3.7%	3.7%	3.7%	3.7%
Fair Value per Option	\$0.082	\$0.077	\$0.077	\$0.082

	2026 \$	2025 \$
Movements in options		
Balance at beginning of year	1,103,250	278,250
Options granted to Pamplona Capital Pty Ltd and Bell Potter as a part of IPO capital raising fees	-	795,000
Listed options / option services expensed during the period	180,000	30,000
Balance at end of period	1,283,250	1,103,250

(b) Share rights reserve

The share rights reserve is used to recognise the fair value of share rights granted.

During the 2026 and 2025 financial years movements in the share rights reserve were:

	30 Jun 2026	30 Jun 2025
Movements in performance rights		
Balance at beginning of year	4,100,000	6,150,000
Performance rights converted into ordinary shares ¹	(1,500,000)	(2,050,000)
Performance rights lapsed during the period ²	(2,600,000)	-
Number of performance rights on issue	-	4,100,000

¹On 13 November 2025, 1,500,000 performance rights converted into ordinary shares. The ordinary shares were issued to director Paul Dickson (750,000) and Ian Kiers (resigned 21 October 2025)(750,000) upon the vesting of performance milestones A and E.

²During the year 2,600,000 performance rights lapsed and were cancelled unvested.

	2026 \$	2025 \$
Movements in performance rights		
Balance at beginning of year	351,600	63,711
Net performance rights expense / (reversal)	(20,491)	347,027
Conversions / transfers	(331,109)	(59,138)
Balance at end of period	-	351,600

The fair value of the performance rights at grant date has been estimated using trinomial pricing model, considering the terms and conditions upon which the rights were granted. The following assumptions were used:

	Class B Performance Rights	Class C Performance Rights
Number of Performance Rights	1,500,000	1,500,000
Underlying share price	\$0.20	\$0.20
Exercise price	-	-
Barrier price / 20-day VWAP hurdle	\$0.40	\$0.70
Expected volatility	100%	100%
Issue Date	17 April 2024	17 April 2024
Life of Performance Right (years)	2	2
Expected dividend	Nil	Nil
Risk free rate	3.8%	3.8%
Fair Value per Performance Right	\$0.147	\$0.108

Performance Rights Classes A, D & E comprise non-market based vesting conditions (ASX approval, drill meters, inferred resource grade) and fair values were deemed based on the following:

- (a) Class A Performance Rights were deemed a fair value of the IPO price (\$0.20) following an assessment of the likelihood of success.
- (b) Class D and Class E Performance Rights were each deemed a fair value of \$0.04 based on the achievability of the performance milestones being contingent on exploration activities post successful listing.

The Performance Rights milestones are set out below.

Class	Paul Dickson	Ian Kiers	Performance Milestones
A	250,000	250,000	The satisfaction of each of the following: a. receipt of conditional listing approval from ASX, on terms satisfactory to the Company; and b. the holder remaining a director of the Company for a period of 12 months post-Listing.
B	500,000	500,000	The satisfaction of each of the following: a. the Company's 20-day volume weighted average share price (calculated across 20 consecutive trading days on which the Company's shares actually traded) (20-day VWAP) reaching 100% higher than the Offer price; and b. the holder remaining a director of the Company for a period of 24 months post-Listing.
C	500,000	500,000	The satisfaction of each of the following: a. the Company's 20-day VWAP reaching 250% higher than the Offer share price; and b. the holder remaining a director of the Company for a period of 24 months post-Listing.
D	300,000	300,000	On the Company completing 20,000m of auger drilling on a project area prospective for REE, of which drill holes return at least 1,000 metres of cumulative intersections with an average grade of 1,200ppm TREO (as verified by a Competent Person)
E	500,000	500,000	On the Company announcing to ASX a 10Mt Inferred Resource at a minimum grade of 1,000ppm TREO for a REE Project (as verified by a Competent Person)

(c) Foreign exchange translation reserve

The foreign exchange translation reserve records exchange differences arising on translation of foreign subsidiaries. Movements in the foreign exchange translation reserve during the 2026 and 2025 financial years were:

	2026 \$	2025 \$
Balance at beginning of year	(23,865)	(2,336)
Movement during the period	(36,375)	(21,529)
Balance at end of period	(60,240)	(23,865)

12. Capital Management

Capital consists of the Group's shareholders' equity and any potential debt issuance. The Group's primary objectives in managing capital are to maintain financial stability, safeguard its capacity to meet ongoing liabilities, ensure its continued operation as a going concern, preserve creditworthiness, and maximize long-term shareholder returns.

The Group's assets are currently in the exploration and evaluation stage and do not yet generate revenue. Consequently, the Board and management place significant emphasis on cash flow forecasting and management to ensure the Group has adequate funds to support its planned activities and fulfill any ongoing obligations.

13. Commitments for expenditures

Commitments for minimum exploration expenditure required to retain tenure on the Group's exploration tenements are:

	2026 \$	2025 \$
Less than one year	318,527	84,105
Greater than one year and less than five years	36,668	100,512
	355,195	184,617

14. Contingent Liabilities/Assets

The directors are not aware of any other contingent assets or any contingent liabilities that are likely to have a material effect on the results of the Group as disclosed in these financial statements other than the following:

- Under the amended and restated asset sale agreement, Axel Brazil agreed to assume the existing royalties applicable to the REE Projects, being a 3% gross revenue royalty in respect of any minerals from the area within the boundaries of the REE Licences, a 2% gross revenue royalty in respect of lithium and a 3% gross revenue royalty in respect of all other minerals from the area within the boundaries of the licences over which the REE Rights are granted. The asset sale agreement superseded an asset sale and joint venture agreement that was executed by the parties on 2 November 2023.

In accordance with the asset sale agreement, the Group entered into a Royalty Agreement with Pat Volpe (non-executive director) and Carlos Alberto Teles granting Pat Volpe and Carlos Teles the right to receive the royalty revenues stated above over all of the present and future tenements held by the Company or its wholly owned subsidiaries. Refer to Note 15 (d)(i) Transactions with Related Parties for further information on the asset sale agreement and royalty.

15. Related Parties

The consolidated financial statements incorporate the assets, liabilities, and results of the following subsidiaries in accordance with the accounting policy described in Note 2(d).

(a) Subsidiaries

	Country of incorporation	Equity holding (%)	
		2026	2025
Axel REE Ltda	Brazil	100%	100%

(b) Ultimate parent

Axel REE Limited is the ultimate parent entity of the Group

(c) Key management personnel

The aggregate compensation paid and accrued to Key Management Personnel of the Group is set out below:

	2026 \$	2025 \$
Short-term employment benefits – directors’ fees	421,771	454,265
Consulting fees	-	339,180
Post-employment benefits – superannuation	22,386	12,017
Company Secretary/Financial Controller fees	180,000	192,000
Share-based payments	(20,490)	278,889
Total compensation	603,667	1,276,351

¹ Short-term employment benefits comprises directors’ fees/salaries for the reporting period.

² Company Secretary/Financial Controller fees provided by Patrick A Volpe, Company Secretary/Financial Controller.

³ Refer Note 3 and Note 11(b) for share-based payments provided to directors.

(d) Other transactions with related parties

(i) Transactions with Foxfire Metals Ltda and its related entities

- On 28 January 2026, the Company, via its wholly owned Brazilian subsidiary Axel REE Ltda, made a short term working capital loan to Foxfire Metals Ltda of BRL 261,716.95 (approximately A\$75,897), being payment of Agência Nacional de Mineração (**ANM**) tenement fees that were the obligation of the Foxfire Metals Ltda and which were due by 30 January 2026. The loan was made on arm's length terms, with principal capped at the amount paid to ANM, repayment in full within 7 calendar days of the payment date (or earlier on demand), and default interest payable if not repaid by the due date. The loan was repaid in full by Foxfire Metals Ltda on 4 February 2026 and no amount was outstanding at 30 June 2026. Patrick John Volpe is a director and substantial shareholder of Foxfire Metals Pty Ltd. The transaction was approved by non-conflicted directors, with Mr Volpe having declared his interest and abstaining from all deliberation and voting.

Financial risk management objectives

The overall risk management strategy seeks to assist the Group in meeting its financial targets, while minimizing potential adverse effects on financial performance. Its functions include the review of liquidity, foreign exchange and interest rate risk policies and future cash flow requirements.

Market risk

Foreign currency risk

The Group has foreign operations and is exposed to foreign currency risk arising from various currency exposures, primarily with respect to the Brazilian Real (BRL).

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in the

currency that is not the entity's functional currency. The following table details the Group’s sensitivity to a 10% increase and decrease in the Australian dollar against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management’s assessment of the reasonably possible change in foreign exchange rates. This analysis assumes that all other variables remain constant.

	Profit or loss		Equity	
	+10% A\$	-10% A\$	+10% A\$	-10% A\$
30 June 2026				
BRL	(219,168)	219,168	(9,413)	9,413

	Profit or loss		Equity	
	+10%	-10%	+10%	-10%
30 June 2025	A\$	A\$	A\$	A\$
BRL	(163,648)	163,648	(40,161)	40,161

Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is exposed to interest rate risk from funds held on deposit. The effect of a +/- 2% change in interest rates would not be material.

Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Board's approach to managing liquidity is to ensure, as far as possible, that the Group will always have sufficient liquidity to meet its liabilities when due. At 30 June 2026, the Group had sufficient liquid assets to meet its financial obligations.

The Group manages this risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities.
- monitoring undrawn credit facilities.
- obtaining funding from a variety of sources; and
- managing credit risk related to financial assets.

Remaining contractual maturities

The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

	<1 year	1-5 years	>5 years	Total contractual cash flows	Carrying amount of liabilities
30 June 2026	\$	\$	\$	\$	\$
Trade, other payables and accruals	207,689	-	-	207,689	207,689
	207,689	-	-	207,689	207,689

	<1 year	1-5 years	>5 years	Total contractual cash flows	Carrying amount of liabilities
30 June 2025	\$	\$	\$	\$	\$
Trade, other payables and accruals	219,765	-	-	219,765	219,765
	219,765	-	-	219,765	219,765

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Company obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Company does not hold any collateral.

The Company has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the Company based on recent sales experience, historical collection rates and forward-looking information that is available.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value

16. Operating segments

The Group has identified its operating segments based on internal reports that are reviewed by the Board and management. The Group operated in one business segment during the year, being mineral exploration and in two geographical areas, being Australia and Brazil.

Operating segment information

30 June 2026	Australia A\$	Brazil A\$	Total A\$
Segment income	255,149	295	255,444
Other expenses	(1,703,996)	(2,191,975)	(3,895,971)
Loss before income tax expense	(1,448,847)	(2,191,680)	(3,640,527)
Income tax expense	-	-	-
Loss after income tax expense	(1,448,847)	(2,191,680)	(3,640,527)
Assets			
Segment assets	5,773,590	161,251	5,934,841
Total Assets	5,773,590	161,251	5,934,841
Liabilities			
Segment liabilities	156,671	67,122	223,793
Total Liabilities	156,671	67,122	223,793

30 June 2025	Australia A\$	Brazil A\$	Total A\$
Segment income	423,983	185	424,168
Other expenses	(2,004,293)	(1,636,666)	(3,640,959)
Loss before income tax expense	(1,580,310)	(1,636,481)	(3,216,791)
Income tax expense	-	-	-
Loss after income tax expense	(1,580,310)	(1,636,481)	(3,216,791)
Assets			
Segment assets	8,957,432	501,189	9,458,621
Total Assets	8,957,432	501,189	9,458,621
Liabilities			
Segment liabilities	131,174	99,007	230,181
Total Liabilities	131,174	99,007	230,181

17. Cash flow information

	2026 \$	2025 \$
(a) Reconciliation of cash		
Cash at end of the year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
Cash and cash equivalents	5,733,346	8,714,211
(b) Reconciliation of cash flow from operations with loss after income tax		
Loss after income tax	(3,640,527)	(3,216,791)
Non-cash flows in loss from ordinary activities		
Depreciation	25,164	17,310
Effect of exchange rate changes	-	-
Non-cash share based payments expense	159,509	317,889
Changes in operating assets and liabilities		
(increase)/decrease in receivables and other assets	533,209	(520,804)
Increase/(decrease) in payables	(6,387)	(238,092)
Net cash (outflow)/inflow from operating activities	(2,929,032)	(3,640,488)

18. Earnings per share

	2026 \$	2025 \$
Loss after income tax benefit attributable to the Group	(3,640,527)	(3,216,791)
	2026 \$	2025 \$
Weighted average number of ordinary shares outstanding during the year used in calculation of Basic EPS	175,399,692	170,451,158
Weighted average number of options outstanding which are considered potentially dilutive	-	-
Weighted average number of potential ordinary shares outstanding during the year used in calculation of Diluted EPS	175,399,692	170,451,158

Options on issue at the end of the period have not been included in the determination of diluted earnings per share as the Group has incurred a loss for the period and they are therefore not dilutive in nature.

	2026 \$	2025 \$
Basic earning per share (cents)	(2.07)	(1.89)
Diluted earnings per share (cents)	(2.07)	(1.89)

19. Remuneration of Auditors

	2026 \$	2025 \$
Audit and review services	64,350	61,000
Non-audit services	-	-

20. Parent entity disclosures

The individual financial statements for the parent entity show the following aggregations.

	2026 \$	2025 \$
Results		
(Loss)/profit for the year	(1,448,848)	(1,580,310)
Other comprehensive loss	-	-
Total comprehensive (loss)/profit for the year	(1,448,848)	(1,580,310)
Financial Position		
Current assets	5,730,239	8,905,230
Non-current assets	4,724,067	52,202
Total assets	10,454,306	8,957,432
Current liabilities	156,670	131,174
Non-current liabilities	-	-
Total liabilities	156,670	131,174
Net assets	10,297,636	8,826,258

	2026 \$	2025 \$
Issued capital	13,425,762	10,333,936
Share based payments reserve	1,283,250	1,454,850
Accumulated losses	(4,411,376)	(2,962,528)
Total equity	10,297,636	8,826,258

21. Events subsequent to the reporting date

Other than as already stated in this report, there have been no other subsequent events that required adjustment to or disclosure in the or the Financial Statements of the Group for the year ended 30 June 2026.

Consolidated Entity Disclosure Statement

As at 30 June 2026

Entity name	Entity type	Place formed/country of incorporation	Ownership interest %	Tax residency	Foreign tax jurisdiction(s) of foreign residents
Axel REE Limited	Body corporate	Australia	N/A	Australian	N/A
Axel REE Ltda	Body corporate	Brazil	100	Foreign	Brazil

Basis of preparation

The consolidated entity disclosure statement (CEDS) has been prepared in accordance with subsection Section 295 (3A) of the Corporations Act 2001. The entities listed in the statement are Axel Ree Limited and all the entities it controls in accordance with AASB 10 Consolidated Financial Statements.

Key assumptions and judgements

Determination of tax residency

Section 295 (3A) Corporations Act requires that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement (CEDS) be disclosed. In the context of an entity which was an Australian resident, "Australian resident" has the meaning provided in the Income Tax Assessment Act 1997 (Cth). The determination of tax residency involves judgment as the determination of tax residency is highly fact dependent and there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the Group has applied the following interpretations:

Australian tax residency

The Group has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation's public guidance in Tax Ruling TR 2018/5.

Foreign tax residency

The Group has applied current legislation and where available judicial precedent in the determination of foreign tax residency. Where necessary, the Group has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with.

Directors' Declaration

In the opinion of the Directors:

- the financial statements and notes of the Group are in accordance with the *Corporations Act 2001*, including:
 - giving a true and fair view of Axel's financial position as at 30 June 2026 and of its performance for the financial year ended on that date; and
 - complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- the financial statements and notes also comply with International Financial Reporting Standards; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct; and
- there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* and as recommended under ASX Corporate Governance Council's Corporate Governance Principles for the financial year ended 30 June 2026.



Paul Dickson

Chairman

Melbourne,

30 September 2026

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AXEL REE LIMITED

Report on the Financial Report

Opinion

We have audited the financial report of Axel REE Limited (the "Company"), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement, and the directors' declaration of the Company and the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

In our opinion the accompanying financial report of Axel REE Limited is in accordance with the Corporations Act 2001, including:

- i) Giving a true and fair view of the consolidated entity's financial position as at 30 June 2026 and of its performance for the year ended on that date; and
- ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the consolidated entity in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Key Audit Matter

A key audit matter is a matter that, in our professional judgement, was of most significance in our audit of the financial report of the current year. This matter was addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. For the matter below, our description of how our audit addressed the matter is provided in that context.

Valuation and recognition of share-based payments – Note 11

Why significant	How our audit addressed the key audit matter
The Group has share-based payment arrangements in place, including listed and unlisted options as well as performance rights with both market and non-market vesting conditions. For the year ended 30 June 2026, the Group recognised share-based payment expenses of (\$20,491) (30 June 2025: \$287,889). In addition, corporate expense of \$180,000 (30 June 2025: \$30,000) was recognised in respect of listed options granted as consideration for services provided during the year. As at 30 June 2026, the share-based payment reserve balance was \$1,283,250. The accounting for these arrangements is complex and involves significant judgment in: • Determining the grant date fair value of options and performance rights, including the selection of valuation models and key assumptions (e.g. share price volatility, risk-free rate, expected life). • Assessing vesting conditions, including the treatment of awards subject to market and non-market performance conditions. • Accounting for lapse/expiry of performance rights. Given the level of judgment required and the material impact of these arrangements on the financial statements, we considered this area to be a key audit matter	Our work included, but was not limited to, the following procedures: • Evaluating the Group's accounting policies and assessing their compliance with AASB 2 Share-based Payment; • Assessing management's determination of grant dates and recognition of listed options issued as consideration for services provided; • For performance rights, testing the amortisation schedules prepared by management, including assessing whether expense recognition was consistent with the vesting conditions, and testing the accounting treatment of performance rights that lapsed/expired during the year; and Evaluating the adequacy of the disclosures in the financial statements relating to share-based payments.

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in the consolidated entity's annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors' for the Financial Report

The Directors of the Company are responsible for the preparation of:-

- a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001; and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001; and

for such internal control as the Directors determine is necessary to enable the preparation of:-

- i) the financial report (other than the consolidated entity disclosure statements) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the consolidated entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the consolidated entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the consolidated entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the consolidated entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the consolidated entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the consolidated entity to express an opinion on the group financial report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion

We have audited the Remuneration Report included in the Directors' Report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Axel REE Limited for the year ended 30 June 2026, complies with section 300A of the Corporations Act 2001.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



PKF PERTH



SIMON FERMANIS

PARTNER

30 September 2026

PERTH, WESTERN AUSTRALIA

Supplementary Information

The information set out below is to be updated as at 22 September 2026.

Distribution of equity securities – ordinary shares

Analysis of number of equitable security holders by size of holding:

	No. of holders	No. of shares	Percentage
1 to 1,000	21	3,282	0.00%
1,001 to 5,000	21	81,112	0.05%
5,001 to 10,000	87	695,668	0.40%
10,001 to 100,000	281	14,044,419	7.98%
100,001 and over	199	161,130,006	91.57%
Total	609	175,954,487	100.00%
Unmarketable parcels	86	365,606	0.21%

Distribution of equity securities – quoted AXLO share options

Analysis of number of equitable security holders by size of holding:

	No. of holders	No. of shares	Percentage
1 to 1,000	13	2,049	0.00%
1,001 to 5,000	71	268,572	0.26%
5,001 to 10,000	28	216,507	0.21%
10,001 to 100,000	242	10,931,652	10.68%
100,001 and over	115	90,981,810	88.85%
Total	469	102,400,590	100.00%
Unmarketable parcels	313	7,788,928	7.61%

Voting rights

Shareholders in Axel REE Limited have a right to attend and vote at General Meetings. At a General Meeting, individual shareholder may vote in person or by proxy. On a show of hands every member present in person or by proxy shall have one vote. Upon a poll each share shall have one vote.

All quoted and unquoted share options and performance rights have no voting rights.

Share buy-back

There is no current or planned buy-back of the Company's shares.

Twenty largest shareholders – quoted ordinary shares

Rank	Name	No. of shares	%
1	DIMENSIONAL HOLDINGS PTY LTD	29,500,000	16.77%
2	CAP HOLDINGS PTY LTD <CAP A/C>	27,400,000	15.57%
3	CARLOS ALBERTO FERREIRA TELES	10,000,000	5.68%
4	GROWTHTECH INTERNATIONAL PTY LTD	5,000,000	2.84%
5	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	4,836,246	2.75%
6	DC & PC HOLDINGS PTY LTD <DC & PC NEESHAM SUPER A/C>	4,367,909	2.48%
7	MR PETER ROBERT JUSTIN CLARKE	3,173,902	1.80%
8	MR JONATHAN CHARLES MINOR & MS CHERLE-LYNN MCCONNELL <MCCONNELL-MINOR FAMILY A/C>	3,075,000	1.75%
9	CITICORP NOMINEES PTY LIMITED	2,395,068	1.36%
10	JASH SECURITIES PTY LTD <JASH SECURITIES FAMILY A/C>	2,000,000	1.14%
10	LEOPOLDINO OLMEDO	2,000,000	1.14%
10	MR PETER RAYMOND NOTMAN & MR ELAINE NOTMAN	2,000,000	1.14%
11	EVOLUTION CAPITAL ADVISORS PTY LTD	1,500,000	0.85%
11	SAFINIA PTY LTD	1,500,000	0.85%
11	RUPERT CLARKE & COMPANY PTY LTD	1,500,000	0.85%
11	SIR RUPERT GRANT ALEXANDER CLARKE	1,500,000	0.85%
12	HALCYON ONE PTY LTD	1,305,555	0.74%
13	MR CHRISTOPHER IAN SWITZER <C SWITZER FAMILY A/C>	1,152,000	0.65%
14	MISHTALEM PTY LTD	1,105,046	0.63%
15	IMAX BUSINESS GROUP PTY LTD	1,037,500	0.59%
16	MR ROB PEEBLES <ROB PEEBLES FAMILY A/C>	1,017,412	0.58%
17	ALITIME NOMINEES PTY LTD <HONEYHAM FAMILY A/C>	1,000,000	0.57%
17	BRILAC PTY LIMITED <BRILAC FAMILY A/C>	1,000,000	0.57%
17	RUPERT CLARKE & CO PTY LTD	1,000,000	0.57%
17	MR GAVIN JEREMY DUNHILL	1,000,000	0.57%
18	RICKETTS POINT INVESTMENTS PTY LTD <DICKSON FAMILY FUND A/C>	945,000	0.54%
19	ANGKOR IMPERIAL RESOURCES PTY LTD <TURKISH BREAD S/F A/C>	900,000	0.51%
20	MR ARTHUR IOANNOU & MS OLIVIA KEENE <IMAX SUPERFUND A/C>	887,500	0.50%
TOTAL		114,098,138	64.85%
OTHER QUOTED SHARES		61,856,349	35.15%
TOTAL SHARES		175,954,487	100.00%

Substantial shareholders

The Company has received the following substantial shareholder notices as at 22 September 2026:

	Interest	% of total shares
Patrick John Volpe	61,900,001	35.18%
Carlos Alberto Ferreira Teles	10,000,000	5.68%

Twenty largest shareholders – quoted AXLO share options

Rank	Name	No. of shares	%
1	DIMENSIONAL HOLDINGS PTY LTD	14,750,000	14.40%
2	CAP HOLDINGS PTY LTD <CAP A/C>	13,700,000	13.38%
3	ALITIME NOMINEES PTY LTD <HONEYHAM FAMILY A/C>	5,800,000	5.66%
4	BELL POTTER NOMINEES LTD <BB NOMINEES A/C>	5,000,000	4.88%
5	M & K KORKIDAS PTY LTD <M & K KORKIDAS PTY LTD A/C>	3,654,819	3.57%
6	DC & PC HOLDINGS PTY LTD <DC & PC NEESHAM SUPER A/C>	3,150,000	3.08%
7	EVOLUTION CAPITAL PTY LTD	3,000,000	2.93%
8	GROWTHTECH INTERNATIONAL PTY LTD	2,500,000	2.44%
9	FIRST INVESTMENT PARTNERS PTY LTD	2,000,000	1.95%
10	GOFFACAN PTY LTD	1,555,000	1.52%
11	CITICORP NOMINEES PTY LIMITED	1,548,856	1.51%
12	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	1,442,706	1.41%
13	RUPERT CLARKE & COMPANY PTY LTD	1,200,000	1.17%
13	IVY TERRACE PTY LTD <THE KAVARA A/C>	1,200,000	1.17%
14	MR PETER ROBERT JUSTIN CLARKE	1,087,778	1.06%
15	DR ROBERT GROPEL	1,043,555	1.02%
16	JASH SECURITIES PTY LTD <JASH SECURITIES FAMILY A/C>	1,000,000	0.98%
16	UBS NOMINEES PTY LTD	1,000,000	0.98%
16	VANTOCI PTY LTD <THE VANTOCI SMSF A/C>	1,000,000	0.98%
17	MR MICHAEL JOHN DONNELLY & MRS KYLIE JAYNE DONNELLY <M DONNELLY SUPERFUND A/C>	866,605	0.85%
18	EVOLUTION CAPITAL ADVISORS PTY LTD	816,227	0.80%
19	MR MICHAEL ANDREW ROSENBAUM	700,000	0.68%
20	MR ROB PEEBLES <ROB PEEBLES FAMILY A/C>	650,000	0.63%
TOTAL		68,665,546	67.06%
OTHER QUOTED OPTIONS		33,735,044	32.94%
TOTAL SHARES		102,400,590	100.00%

Unquoted options

As at 22 September 2026, the Company had the following unquoted options on issue:

	No. of options	No. of holders
Unlisted Options ex. \$0.30 expiring 17 April 2027	1,750,000	2
Unlisted Options ex. \$0.37 expiring 17 April 2027	1,750,000	2
Unlisted Options ex. \$0.30 expiring 8 July 2027	5,000,000	1
Unlisted Options ex. \$0.37 expiring 19 July 2027	5,000,000	1

Restricted securities

The following table provides the current capital structure of the Company and specify which securities in the Company are subject to ASX restrictions and the restriction periods applied to them.

Fully paid ordinary shares

Description of securities	No. of securities
Fully paid ordinary Shares	175,954,487

Unlisted options

Description of securities	No. of securities
Unlisted Options ex. \$0.30 expiring 17 April 2027	1,750,000
Unlisted Options ex. \$0.37 expiring 17 April 2027	1,750,000
Unlisted Options ex. \$0.30 expiring 8 July 2027	5,000,000
Unlisted Options ex. \$0.37 expiring 19 July 2027 – restricted until 23 July 2027	5,000,000

Schedule of exploration tenements at 30 June 2026

Tenement Number	Area (ha)	Holder	Location	Interest	Expiry Date
820286/2023	16.56	Axel Ree Ltda	Águas Da Prata/ São João Da Boa Vista	100%	26 Oct 2026
820287/2023	899.49	Axel Ree Ltda	São João Da Boa Vista/	100%	26 Oct 2026
820319/2023	1,603.14	Axel Ree Ltda	Poços De Caldas	100%	Renewal pending
830082/2023	1,549.63	Axel Ree Ltda	Poços De Caldas	100%	05 Aug 2029
830083/2023	1,995.50	Axel Ree Ltda	Botelhos/Mg,	100%	14 Aug 2029
830084/2023	1,327.50	Axel Ree Ltda	Poços De Caldas	100%	14 Aug 2029
830085/2023	1,454.03	Axel Ree Ltda	Poços De Caldas	100%	14 Aug 2029
830381/2025	451.23	Axel Ree Ltda	Caraí	100%	Renewal pending
830451/2023	1,919.96	Axel Ree Ltda	Padre Paraíso	100%	Renewal pending
830452/2023	148.72	Axel Ree Ltda	Caraí	100%	Renewal pending
830453/2023	1,502.79	Axel Ree Ltda	Caraí	100%	Renewal pending
830454/2023	1,299.51	Axel Ree Ltda	Caraí	100%	Renewal pending
830455/2023	1,227.51	Axel Ree Ltda	Caraí	100%	Renewal pending
830456/2023	1,080.58	Axel Ree Ltda	Novo Oriente De Minas	100%	Renewal pending
830457/2023	1,317.80	Axel Ree Ltda	Novo Oriente De Minas	100%	14 Oct 2027
830458/2023	1,714.00	Axel Ree Ltda	Caraí	100%	Renewal pending
830459/2023	1,599.56	Axel Ree Ltda	Caraí	100%	Renewal pending
830460/2023	1,435.96	Axel Ree Ltda	Caraí	100%	Renewal pending
830461/2023	1,914.17	Axel Ree Ltda	Novo Oriente De Minas	100%	Renewal pending
830462/2023	1,978.71	Axel Ree Ltda	Caraí	100%	Renewal pending
830463/2023	1,917.61	Axel Ree Ltda	Caraí	100%	Renewal pending
830464/2023	1,991.16	Axel Ree Ltda	Caraí	100%	Renewal pending
830465/2023	1,912.78	Axel Ree Ltda	Caraí	100%	Renewal pending
830466/2023	1,968.93	Axel Ree Ltda	Caraí	100%	Renewal pending
830467/2023	826.86	Axel Ree Ltda	Caraí	100%	20 Sep 2027
830468/2023	910.99	Axel Ree Ltda	Catuji	100%	20 Sep 2027

Tenement Number	Area (ha)	Holder	Location	Interest	Expiry Date
830469/2023	1,972.50	Axel Ree Ltda	Caraí	100%	Renewal pending
830500/2023	1,460.50	Axel Ree Ltda	Padre Paraíso	100%	Renewal pending
830505/2023	1,033.42	Axel Ree Ltda	Padre Paraíso	100%	Renewal pending
830506/2023	786.64	Axel Ree Ltda	Caraí	100%	Renewal pending
830515/2023	1,963.87	Axel Ree Ltda	Ponto Dos Volantes	100%	Renewal pending
830516/2023	1,947.10	Axel Ree Ltda	Padre Paraíso	100%	Renewal pending
830527/2023	386.89	Axel Ree Ltda	Caraí	100%	Renewal pending
830880/2023	357.80	Axel Ree Ltda	Poços De Caldas	100%	Application pending
830881/2023	32.34	Axel Ree Ltda	Poços De Caldas	100%	Application pending
830882/2023	8.12	Axel Ree Ltda	Poços De Caldas	100%	Renewal pending
830883/2023	57.57	Axel Ree Ltda	Poços De Caldas	100%	Application pending
830884/2023	24.43	Axel Ree Ltda	De Caldas	100%	Renewal pending
830885/2023	695.36	Axel Ree Ltda	De Caldas	100%	Application pending
830886/2023	47.58	Axel Ree Ltda	De Caldas	100%	Renewal pending
830887/2023	14.15	Axel Ree Ltda	De Caldas	100%	28 Feb 2027
830888/2023	7.77	Axel Ree Ltda	De Caldas	100%	Renewal pending
830889/2023	32.88	Axel Ree Ltda	Caldas	100%	28 Feb 2027
830890/2023	363.73	Axel Ree Ltda	Caldas	100%	Renewal pending
830891/2023	5.63	Axel Ree Ltda	Andradas	100%	Renewal pending
830893/2023	24.65	Axel Ree Ltda	Andradas	100%	Renewal pending
830895/2023	67.40	Axel Ree Ltda	Andradas	100%	28 Feb 2027
831084/2023	1,950.77	Axel Ree Ltda	Andradas	100%	30 Jul 2029
831086/2023	1,886.07	Axel Ree Ltda	Andradas	100%	30 Jul 2029
831087/2023	1,998.07	Axel Ree Ltda	Santo Antônio Do Jardim	100%	30 Jul 2029
831088/2023	1,956.82	Axel Ree Ltda	Santo Antônio Do Jardim	100%	30 Jul 2029
831089/2023	1,983.83	Axel Ree Ltda	Andradas	100%	30 Jul 2029
831090/2023	1,333.64	Axel Ree Ltda	Andradas	100%	30 Jul 2029
831092/2023	1,085.01	Axel Ree Ltda	Caldas	100%	Renewal pending
831383/2025	43.24	Lobo Guara Mineracao E Representacao Eireli ¹	Ponto Dos Volantes	100%	10 Oct 2028
831384/2025	42.10	Lobo Guara Mineracao E Representacao Eireli ¹	Padre Paraíso	100%	10 Oct 2028
831458/2020	1,574.47	Axel Ree Ltda	Padre Paraíso	100%	27 Nov 2027
831515/2020	782.09	Lobo Guara Mineracao E Representacao Eireli ¹	Ponto Dos Volantes	100%	10 Oct 2028
831524/2020	1,023.90	Foxfire Metals Ltda ¹	Caraí	100%	25 Aug 2029
831892/2024	1,130.70	Axel Ree Ltda	Catuji	100%	10 Feb 2028
831917/2024	486.96	Axel Ree Ltda	Caraí	100%	10 Feb 2028

¹ 100% beneficial interest in the mineral rights (other than lithium) in the REE Tenements were assigned to the Group in accordance with the asset sale agreement with Foxfire Metals Pty Ltd.

Corporate Governance Statement

The Company's Corporate Governance Statement for the year ended 30 June 2026 is available on the Company's website at www.axelreelimited.com.au.

Corporate Directory

Directors

Mr Paul Dickson - Non-Executive Chairman
Dr Patience Mpofu – Managing Director
Mr Pat Volpe – Non-Executive Director
Mr Aidan Nania– Non-Executive Director
Mr Ian Reid – Non-Executive Director

Company Secretary

Mr Patrick Volpe

Registered Office & Principal Place of Business

832 High Street
Kew East VIC 3102
Ph: +61 3 9249 9589
Email: companysecretary@axelreelimited.com.au

Auditor

PKF Audit Perth
Dynons Plaza
Level 8
905 Hay Street
Perth WA 6000

Share Registry

Automic Pty Ltd
Level 5
126 Phillip Street
Sydney NSW 2000
Ph: 1300 288 664 (Australia) or
+61 2 9698 5414 (Overseas)
Email: hello@automic.com.au

Stock Exchange

Australian Securities Exchange (**ASX**)
ASX Code: **AXL**
Frankfurt Securities Exchange (**FSE**)
FSE Code: **HN8**

Company Website

www.axelreelimited.com.au



Axel REE Limited

ASX: AXL

axelreelimited.com.au

