

8 October 2026

ANSTO to produce Korsnäs MREC sample in new test program

Highlights

- ERE signs agreement with ANSTO Minerals for lab-scale production of mixed rare earth carbonate (MREC) from the historical Korsnäs lanthanide concentrate stockpile (LnCS) as part of Stage Two metallurgical testing.
- Stage Two follows successful completion of the Stage One metallurgical program, building on previously reported extraction of 92% of combined magnet rare earths from calcite-free Korsnäs concentrate.
- Initial small-scale MREC test work targeted for completion in Q4 2026, followed by a larger bench-scale batch for product qualification and potential customer evaluation.
- Further purification and, subject to favourable tests, cerium removal will target a product with a higher proportion of magnet rare earths to support discussions with downstream processors across Europe as ERE continues to advance its flagship rare earths project in Finland.

European Resources Limited (European Resources or the Company) (ASX: ERE, FSE: ER3) is advancing plans to produce a mixed rare earth carbonate (MREC) sample from its Korsnäs rare earth elements (REE) project in western Finland, following completion of its Stage One metallurgical program by ANSTO Minerals.

The Company has now signed a Stage Two agreement with ANSTO Minerals, the minerals business of the Australian Nuclear Science and Technology Organisation, to advance purification and MREC production. Initial small-scale MREC test work is targeted for completion in Q4 2026, followed by a larger bench-scale batch for product qualification and potential customer evaluation.

The program will use historical lanthanide concentrate from the Company's 100%-owned Korsnäs project, supporting development of a potential European supply of the rare earths critical to advanced manufacturing, defence and renewables.

Comment from Managing Director Jason Beckton

"Stage One has demonstrated strong rare earth extraction. Our next objective is to put a Korsnäs MREC sample in the hands of potential customers. Producing and characterising that material would give us a firmer basis for product qualification and commercial discussions.

Together with our beneficiation work in Finland, this is an important step towards establishing a processing route for a potential European source of magnet rare earths, a strategically important resource for the European Union (EU)."

Why producing MREC matters

MREC production is the link between successful laboratory extraction and a product that downstream processors can assess. Producing it would demonstrate that the rare earths extracted from Korsnäs concentrate can be recovered into a characterised solid intermediate for downstream separation.

Physical samples would allow potential processors to assess the rare earth distribution, impurity levels and compatibility with their separation circuits. Those results would support product qualification and more substantive discussions with potential customers and offtake partners. The commercial objective is to establish the specifications and processing performance required for a saleable product; commercial production and customer acceptance remain to be demonstrated.

Stage One establishes the foundation

As reported on 19 August 2026, removing calcite before acid baking and water leaching increased combined magnet rare earth extraction from 83% to 92%. The magnet rare earths are neodymium, praseodymium, dysprosium and terbium. Praseodymium extraction reached 94% and neodymium 92%, while total rare earths plus yttrium (TREY) extraction rose from 86% to 93%. Terbium and dysprosium extraction improved to 69% and 66%, respectively.

These results provide the basis for Stage Two purification and MREC production. They are laboratory leach extractions, not overall recoveries into a finished MREC product. Further work is required to improve recovery of magnet rare earths hosted in apatite and to optimise the process.

The new agreement advances the staged approach foreshadowed when ANSTO was engaged in August 2025: establish extraction performance, then progress to purification and a first mixed rare earth product.⁵

Stage Two progresses from initial sample to product evaluation

Stage Two will develop impurity-removal and rare earth precipitation conditions in two sequential steps. MREC is an intermediate for downstream separation into individual rare earth products.



Indicative sequence. Later-stage timing will depend on test results.

Initial small-scale MREC production

ANSTO will use the extraction route established in Stage One to generate a rare earth solution, remove impurities and produce a small preliminary MREC sample. Chemical analysis will establish the sample's composition and guide the next round of testing.

Larger bench-scale MREC production

A larger batch will apply the preferred conditions and additional purification, including uranium removal. Cerium-removal tests will also be undertaken, with the preferred approach applied to the larger batch if results are favourable. Reducing cerium is intended to increase the relative proportion of magnet rare earths in the product.

The objective is to produce a larger quantity of more refined MREC for product qualification, potential customer evaluation and subsequent process development. ANSTO will characterise the product's elemental and radionuclide composition and prepare a certificate of analysis. Product quality, quantity and suitability for individual customers will depend on the test results.

Program timing

Stage Two commenced on 1 October 2026, with the initial small-scale MREC production test work targeted for completion in Q4 2026. The larger bench-scale program will follow, informed by the initial results.

Why the stockpiled concentrate is the starting point

The LnCS (Figure 1) was produced from the Korsnäs hard-rock deposit during Outokumpu's historical mining and processing operations between 1965 and 1972. It provides an existing source of material for metallurgical development, and concentrate is already held at ANSTO for this program. Using this material allows purification and MREC production tests to advance while the Company develops a beneficiation route for fresh hard-rock material.¹

This work is advancing downstream process development for the wider Korsnäs project.

Connecting downstream processing with the wider Korsnäs project

The Korsnäs hard-rock deposit has a previously reported Inferred Mineral Resource of 15.4 million tonnes at 1.00% total rare earth oxides (TREO), using a reporting cut-off of 0.5% TREO, announced on 16 April 2026. The estimate covers in situ mineralisation and excludes material already mined and processed into the LnCS.³

The downstream ANSTO program complements beneficiation studies by the Geological Survey of Finland's GTK Mintec facility and the University of Oulu under the EU-funded Rare Earth and Magnets Hub for a Resilient Europe (REMHub) program. The Company previously reported successful high-gradient magnetic separation (HGMS) tests on both allanite-dominant and apatite-monazite-dominant hard-rock material. HGMS and flotation tests are progressing at GTK Mintec to develop a new concentrate from Korsnäs hard-rock material for downstream processing.^{1,4}

The objective is to integrate GTK Mintec's HGMS and flotation work with the downstream ANSTO route to produce MREC from newly generated Korsnäs concentrate. Further test work will evaluate and optimise downstream treatment of the new concentrate and assess the resulting MREC's suitability for rare earth separation.

Developing a potential European source of magnet rare earths

European Resources' strategy is to develop a potential source of rare earth feedstock within Europe, where supply diversification is a strategic priority. Finland is recognised as a leading mining jurisdiction, with an established mining sector, infrastructure and technical expertise. REMHub supports the development of European rare earth and permanent magnet value chains.^{2,6}

The magnet rare earths targeted by the program are used in high-performance permanent magnets for electric vehicles, wind turbines and industrial applications. Producing a characterised MREC would be a practical step towards assessing Korsnäs as a potential source of feed for downstream processors. Further optimisation, scale-up and economic assessment will be required to establish a commercially viable process.

Previously reported results

The metallurgical results were previously reported in the Company's ASX announcements dated 19 August 2026, "ANSTO Test Work Raises Korsnäs Magnet REE Extraction to 92%", and 7 April 2026, "Excellent Korsnäs Metallurgical Results Under the REMHub Program". Dr Mark Steemson was the Competent Person responsible for the metallurgical information in both announcements.

The Mineral Resource information was reported in the Company's ASX announcement dated 16 April 2026, "Korsnäs Resource Estimate Increased to 15.4Mt @ 1.00% TREO", for which John Levings, FAusIMM, was the responsible Competent Person. These announcements include the relevant JORC Table 1 disclosures and Competent Person statements.

The Company confirms that it is not aware of any new information or data that materially affects the metallurgical results or Mineral Resource estimate referred to above. All material assumptions and technical parameters underpinning the Mineral Resource estimate continue to apply and have not materially changed. The form and context in which the Competent Persons' findings are presented have not been materially modified from the original announcements.

No new Exploration Results (including metallurgical test results), Mineral Resources or Ore Reserves are reported in this announcement.



Figure 1: Location of the Korsnäs lead mine and historical lanthanide concentrate stockpile from which the ANSTO sample was sourced. The concentrate was produced by Outokumpu between 1965 and 1972. Most of the stockpiled concentrate remains on site. Coordinate grid: ETRS-TM35FIN / EPSG:3067, metres. TSF = tailings storage facility.

Referenced ASX announcements

1. 19 August 2026 – ANSTO Test Work Raises Korsnäs Magnet REE Extraction to 92%
2. 25 June 2026 – Presentation to Investors
3. 16 April 2026 – Korsnäs Resource Estimate Increased to 15.4Mt @ 1.00% TREO
4. 7 April 2026 – Excellent Korsnäs Metallurgical Results Under the REMHub Program
5. 15 August 2025 – ANSTO Minerals Contracted to Advance Korsnäs Hydrometallurgy
6. 9 December 2024 – Receipt of EU REMHub Funding for Korsnäs Project

Cautionary statement

This announcement includes forward-looking statements and opinions based on the Company's current expectations and beliefs. Such statements are subject to risks, uncertainties and assumptions. Actual results may differ materially from those expressed or implied. Factors that may cause such differences include project, geological, metallurgical, regulatory, market and operational risks. The Company undertakes no obligation to update forward-looking statements, except as required by law.

Authorisation

This announcement has been authorised for release to the market by the Company's Directors.

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