

Poços de Caldas REE Project Review Supports Acceleration of Exploration

Highlights

- Axel has reviewed its Caldas exploration results following Lynas Rare Earths' proposed acquisition of Meteoric Resources, identifying priorities to accelerate work within the Poços de Caldas region.
- The review supports follow-up exploration across the Caldas Project, which covers ~228km² of tenements both within and along the weathered contact of the alkaline intrusive, building on previously reported drilling results.
- Previously reported highlights within the alkaline intrusive (Caldera prospect) include:
 - 13m at 5,735ppm TREO (25% MREO) from surface in CAL-AUG-009, including 4m at 11,568ppm TREO (28% MREO) from 9m;
 - 8.8m at 5,309ppm TREO (27% MREO) from surface in CAL-AUG-022;
 - 20m at 3,082ppm TREO (28% MREO) from surface in CAL-AUG-003; and
 - 23m at 2,692ppm TREO (28% MREO) from surface in CAL-AUG-015.
- Several auger holes ended in mineralisation and support further drilling to test depth extension potential.
- Previously reported results along the weathered contact of the alkaline intrusive include:
 - North Block: 6m at 1,370ppm TREO from 1m in CAL-AUG-079;
 - East Block: 10m at 1,552ppm TREO from 10m in CAL-AUG-083; and
 - South Block: 8m at 2,540ppm TREO from surface in CAL-AUG-113.
- Axel is planning a follow-up drill and leach testing program to support a future REE resource delineation at Caldas, supplementing the 709Mt REE and 576Mt Ga global Mineral Resource Estimates at the Caladão Project in northern Minas Gerais.
- The Caladão Project remains the priority area ahead of the planned Woolrich field validation program to evaluate a potential low-impact in-situ recovery (ISR) development pathway.
- You can engage with the management team about this announcement [here](#).
- No new exploration results are reported in this announcement.

Axel REE Limited (ASX: AXL, FSE: HN8, **Axel** or **the Company**) is pleased to announce that a review of its previously reported Caldas exploration results supports the soon-to-commence accelerated exploration program at this project.

The review followed the announcement of Lynas Rare Earths Limited's (ASX: LYC) (**Lynas**) proposed acquisition of Meteoric Resources Limited (ASX: MEI) (**Meteoric**)¹, whose Caldeira Rare Earth Project is located within and along the weathered contact zones of the same Poços de Caldas alkaline complex in Minas Gerais, Brazil.

¹ Lynas Rare Earths Limited and Meteoric Resources Limited, ASX announcement dated 1 October 2026, "Lynas Rare Earths to acquire Meteoric Resources".

Managing Director, Patience Mpfu, commented:

“The proposed acquisition of Meteoric by Lynas prompted us to fast track our plans at Caldas. Our own drilling results provide a clear basis for further work, with high-grade intercepts inside the Caldera and further encouraging mineralisation along the contact zones at the North, East and South blocks.

Several holes ended in mineralisation, making testing below the existing auger drill depths an important objective. We intend to use the geological and assay data to prioritise the most prospective areas for the follow-up program.”

Axel’s review of previous results has to date identified broad, high-grade intersections at Caldas and demonstrated encouraging mineralisation across the North, East and South blocks. Several holes ended in mineralisation, providing a basis for testing the depth extension potential below the existing auger drilling.

The Company intends to use its geological, geochemical and drilling data to prioritise areas for follow-up drilling and leach testing.

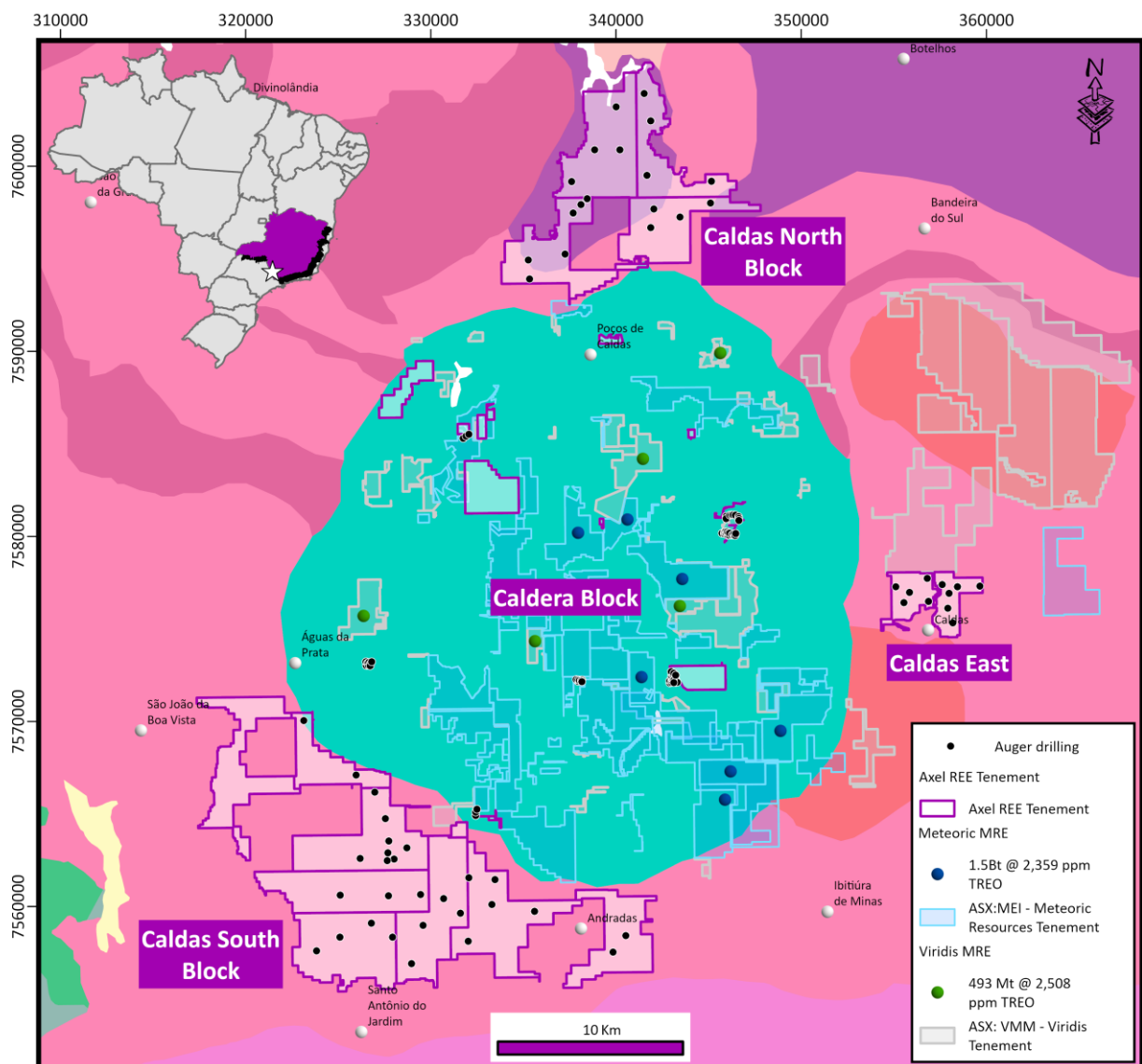


Figure 1. Caldas Project overview showing the Caldera licences and the North, East and South blocks.

Regional Context

On 1 October 2026, Lynas and Meteoric announced a binding Scheme Implementation Deed under which Lynas proposes to acquire all shares in Meteoric through a scheme of arrangement. The transaction remains subject to shareholder and court approvals and other applicable conditions.

The proposed acquisition brings renewed attention to the Poços de Caldas rare earth district, where Axel holds licences within the alkaline complex and across surrounding weathered terrains.

Axel's Caldera licences are located within the same regional alkaline complex that hosts Meteoric's Caldeira and Viridis Mining and Minerals Limited's (ASX: VMM) (**Viridis**) Colossus projects. The North, East and South blocks provide additional exploration opportunities outside the Caldera.

This regional context prompted Axel to review its own drilling results and identify priorities for further exploration. The Company's previously reported intersections support follow-up work across these distinct geological settings.

Regional proximity provides exploration context but does not establish continuity or equivalence of mineralisation, resources, recoverability or project value between Axel's licences and neighbouring projects.

Caldera Prospect - High-grade intersections support follow-up drilling

Axel's Caldera tenements lie within the Poços de Caldas alkaline intrusive complex, the regional geological setting that hosts Meteoric's Caldeira and Viridis's Colossus projects.

Previously reported auger drilling returned broad, high-grade rare earth intersections from surface at Caldera. These results underpin the Company's intention to undertake further detailed exploration.

Highlighted previously reported intersections (ASX release 28 January 2025, 20 May 2025) include:

HoleID	From (m)	Interval (m)	TREO ppm	MREO ppm	MREO/TREO %	NdPr ppm	DyTb ppm
CAL-AUG-009	0	13	5,735	1,412	25%	1,359	54
<i>including</i>	9	4	11,568	3,229	28%	3,132	97
CAL-AUG-022	0	8.8	5,309	1,443	27%	1,380	63
<i>including</i>	7	1	7,619	1,943	26%	1,823	120
CAL-AUG-003	0	20	3,082	853	28%	805	48
<i>including</i>	9	8	4,053	1,268	31%	1,195	74
CAL-AUG-015	0	23	2,692	742	28%	711	31
CAL-AUG-024	0	10.8	3,683	1,260	34%	1,215	45
CAL-AUG-025	0	11.4	3,608	882	24%	847	35

Table 1. Highlighted Caldera prospect TREO intersections.

CAL-AUG-009 also returned an individual sample of **1m at 19,493ppm TREO from 11m** (ASX release 28 January 2025).

The mineralisation includes the magnet rare earths neodymium, praseodymium, dysprosium and terbium. Their distribution will inform target prioritisation and the selection of samples for future laboratory assessment.

Several previously reported holes ended in mineralisation, supporting further drilling to investigate its depth extent. Follow-up work would also aim to better define the distribution, thickness and continuity of the mineralised horizons.

North Block

The North Block covers weathered leucogranite and gneiss terrain along the northern margin of the Poços de Caldas alkaline complex, including areas associated with the Botelhos leucogranite and São João da Mata gneissic complex.

Axel completed an initial exploratory campaign comprising 18 auger holes totalling 241.5m. The program was designed to characterise the weathering profile and identify horizons with potential to host ionic rare earth mineralisation.

Previously reported intersections (ASX release 15 October 2025) include:

Hole ID	From (m)	Interval (m)	TREO ppm	MREO ppm	MREO/TREO %	NdPr ppm	DyTb ppm
CAL-AUG-079	1	6	1,370	453	33%	418	35
CAL-AUG-071	0	6	1,320	388	29%	355	33

Table 2. North Block TREO intersections.

The campaign identified shallow rare earth mineralisation and provides a basis for more detailed drilling to assess the distribution and continuity of priority horizons.

The weathered granitic terrain offers an exploration analogue to processes associated with southern China's ionic rare earth deposits. Further investigation is required to establish the characteristics of the local mineralisation.

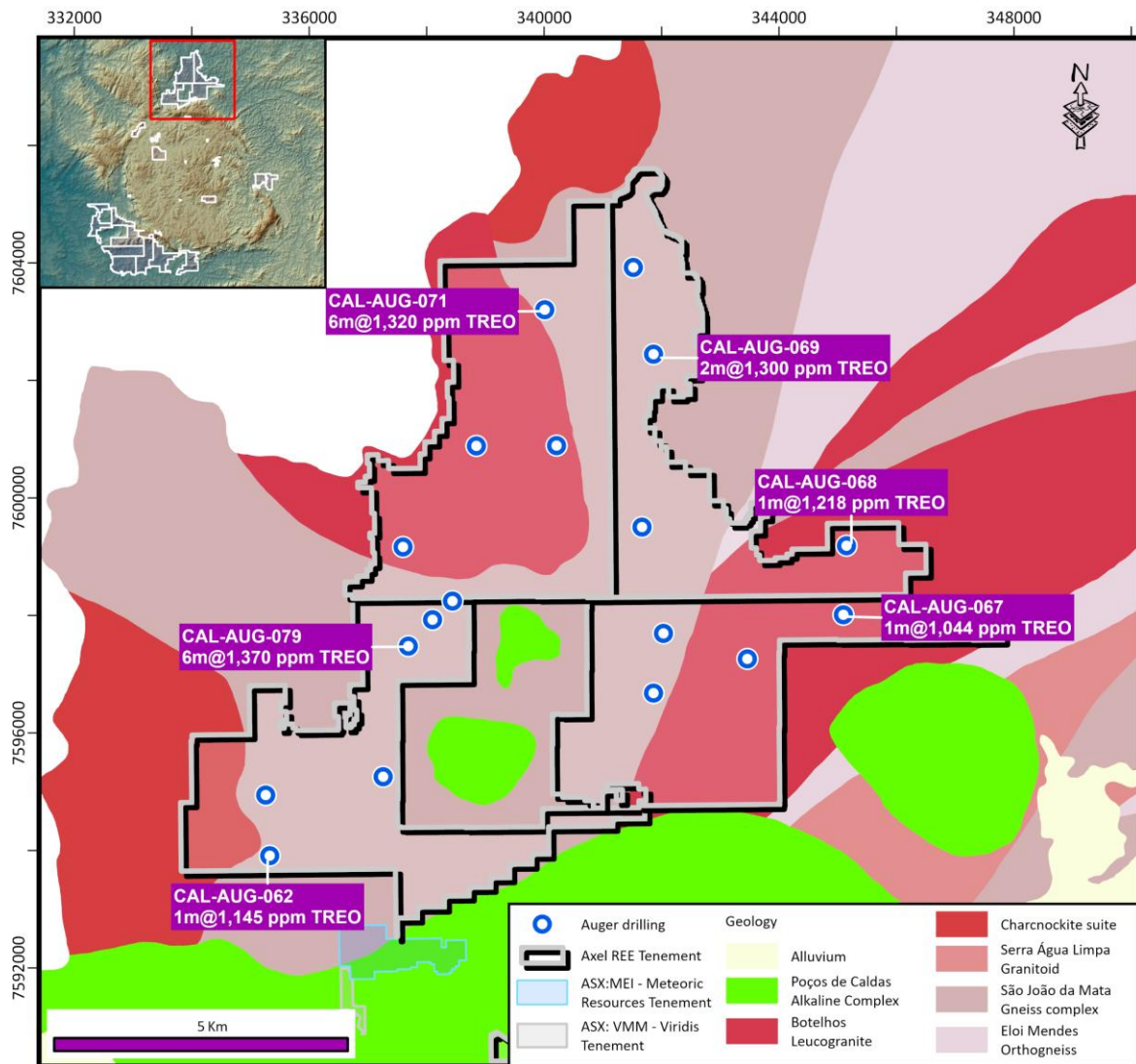


Figure 2. North Block licences showing TREO intercepts previously reported.

East Block

The East Block covers weathered granite, granitoid and gneiss terrain east of the Poços de Caldas alkaline complex.

Axel completed an exploratory campaign comprising **11 auger holes totalling 167m**, providing an initial framework for assessing the weathering profile and identifying rare earth mineralised horizons.

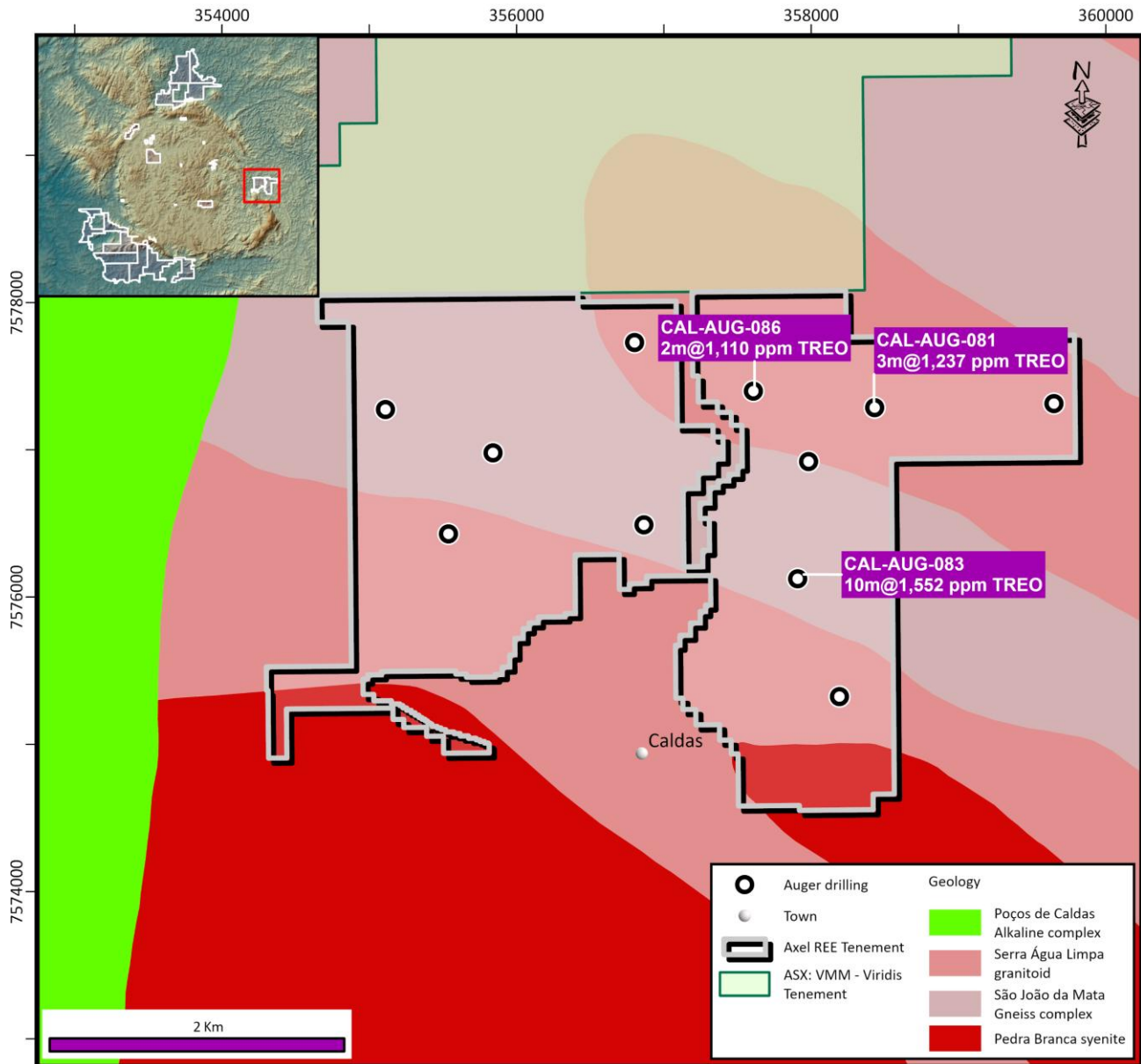
Previously reported intersections (ASX release 15 October 2025) include:

Hole ID	From (m)	Interval (m)	TREO ppm	MREO ppm	MREO/TREO %	NdPr ppm	DyTb ppm
CAL-AUG-081	19	3	1,237	385	31%	351	33
CAL-AUG-083	10	10	1,552	376	24%	355	20
CAL-AUG-086	12	2	1,110	340	31%	320	20

Table 3. East Block TREO intersections.

These intersections identify targets within the deeper weathering profile. Follow-up drilling would aim to better define their distribution and continuity and assess the extent of mineralisation around the existing holes.

The weathered parent rocks provide a basis for investigating potential clay-hosted rare earth mineralisation, with southern China's ionic rare earth deposits serving as a process analogue. The characteristics of the local mineralisation require further assessment.



South Block

The South Block covers weathered gneiss and granitoid terrain of the Varginha–Guaxupé Complex, southwest of the Poços de Caldas alkaline complex.

Axel completed an exploratory campaign comprising 28 auger holes totalling 315m across seven licences, identifying near-surface rare earth mineralisation across several tested areas.

Previously reported intersections (ASX release 30 July 2026) include:

Hole ID	From (m)	Interval (m)	TREO ppm	MREO ppm	MREO/TREO %	NdPr ppm	DyTb ppm
CAL-AUG-113	0	8	2,540	472	19%	460	12
CAL-AUG-125	0	9	1,847	465	25%	413	51
CAL-AUG-120	0	8	1,452	408	28%	364	43
CAL-AUG-106	0	9	1,110	269	24%	252	18
CAL-AUG-110	0	10	1,095	242	22%	220	22

Table 4. South Block TREO intersections.

The results provide targets for follow-up drilling to better define the distribution and continuity of mineralised horizons within the weathering profile.

As in the North and East blocks, the exploration model considers weathering and clay adsorption processes associated with southern China's ionic rare earth deposits. The South Block's varied parent rocks require local assessment of the mineralisation and its controls.

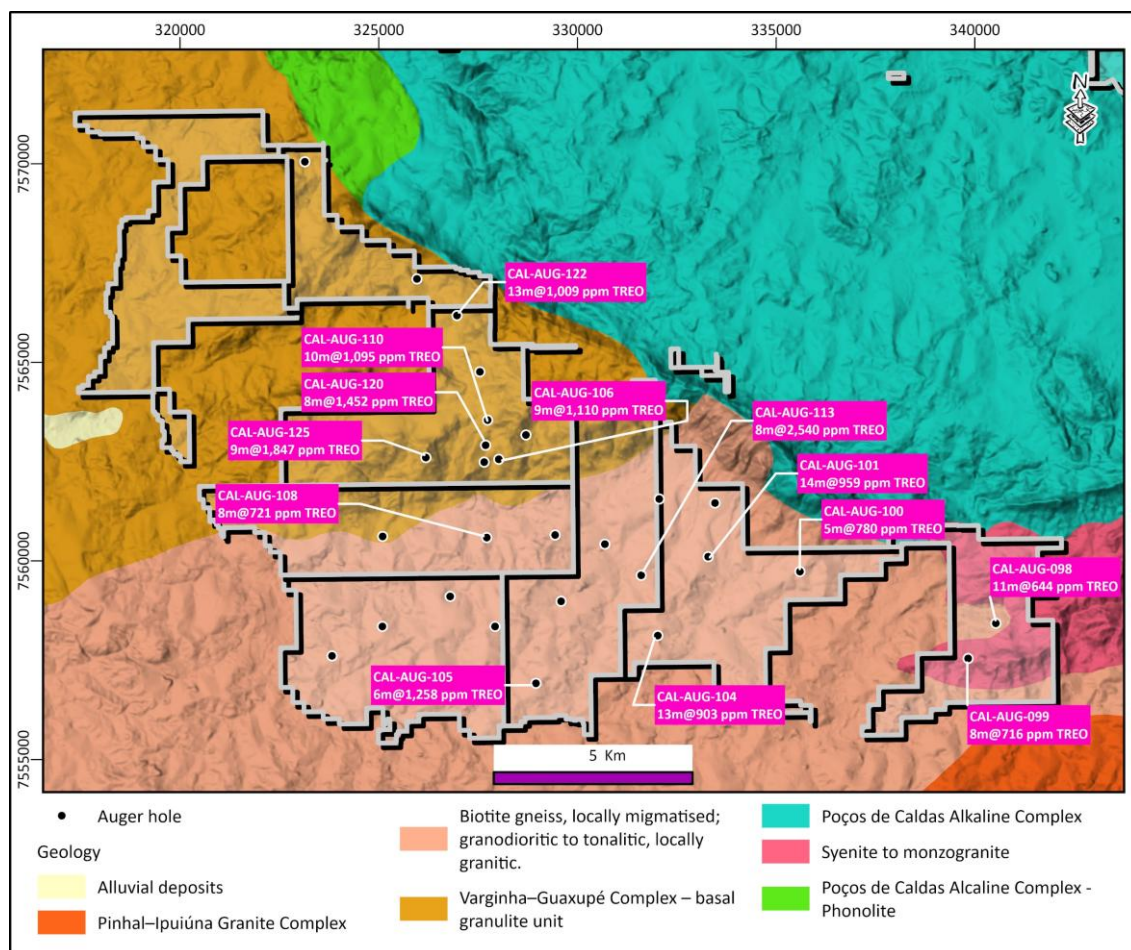


Figure 4. South Block licences showing TREO intercepts previously reported.

Next Steps

Axel intends to use the existing geological, geochemical and drilling data to prioritise the next phase of exploration at Caldas.

Planned work comprises:

- Follow-up drilling to better define mineralised horizons and assess their distribution and continuity across priority areas;
- Investigation below existing Caldera holes that ended in mineralisation, to assess the depth extent of the mineralised profile; and
- Selection and submission of representative samples to SGS Brazil for leach testing, to assess extraction behaviour across different geological settings and weathering horizons.

About the Caldas Project

The Caldas Project, held 100% by Axel REE, is located within the Poços de Caldas alkaline complex, Minas Gerais State, Brazil - one of the most distinctive geological features in South America and globally recognised for its association with rare earth element (**REE**) mineralisation.

The project area consists of multiple exploration licences covering both inside the Caldera and along the weathered contact of the Caldera domains, with a combined area of ~228km². Axel's tenements are strategically distributed across the central, northern, eastern and southern sectors of the Poços de Caldas alkaline complex, providing comprehensive geological coverage of the system.

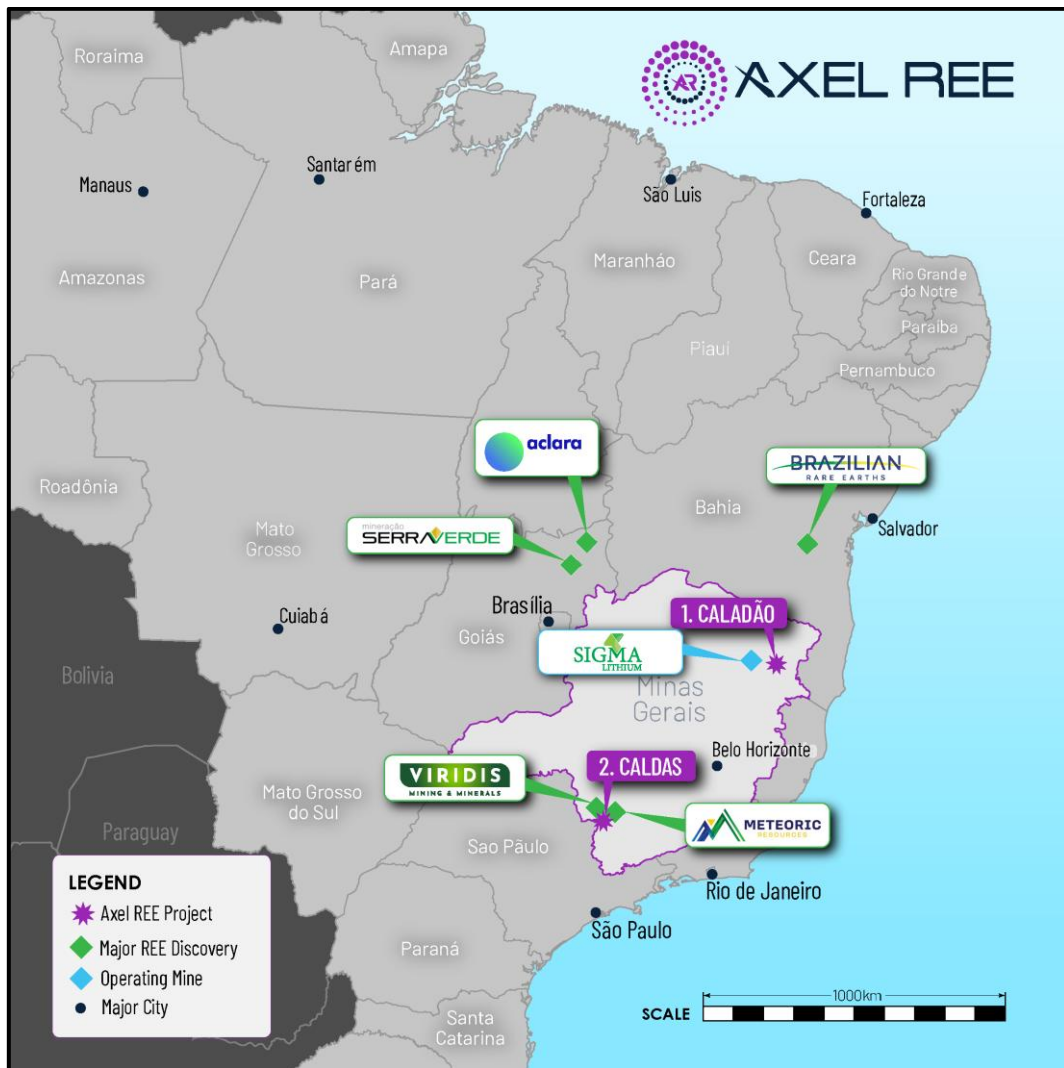


Figure 5. Location of the Caldas Project in Brazil.

This announcement was authorised by the Board of Directors.

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About Axel REE

Axel REE is a critical minerals exploration company which is primarily focused on developing the Caladão REE-Gallium and Caldas REE Projects in Brazil, the second largest country globally in terms of REE reserves.

Axel is advancing a modular development concept at Caladão based on in-situ recovery (ISR) of ionic clay-hosted rare earth mineralisation using magnesium sulphate leaching. This approach aims to minimise surface disturbance and capital intensity by deploying modular hydrometallurgical plants within wellfields. In parallel, Axel is progressing metallurgical programs to unlock additional value from gallium and scandium within the near-surface oxidised profile.

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

Cautionary statement

The Caladão Mineral Resource Estimate comprises Inferred and Indicated Mineral Resources. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration will result in the determination of Indicated or Measured Mineral Resources or an Ore Reserve. Any development concept is subject to further technical studies, regulatory approvals and funding.

Competent Person's Statement

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), FAusIMM, CREA, who acts as Axel'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 de Castro consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

Forward Looking Statement

This announcement contains projections and forward-looking information that involve various risks and uncertainties regarding future events. Such forward-looking information can include without limitation statements based on current expectations involving a number of risks and uncertainties and are not guarantees of future performance of the Company. These risks and uncertainties could cause actual results and the Company's plans and objectives to differ materially from those expressed in the forward-looking information. Actual results and future events could differ materially from anticipated in such information. These and all subsequent written and oral forward-looking information are based on estimates and opinions of management on the dates they are made and expressly qualified in their entirety by this notice. The Company assumes no obligation to update forward-looking information should circumstances or management's estimates or opinions change.

Reference to Previous Announcements

The Exploration Results presented in this announcement were previously reported in the Company's ASX announcements listed below:

- ASX release 23 October 2024 “Up to 7,099 ppm TREO From First Batch of Assays Received at Poços de Caldas”
- ASX release 28 January 2025 “19,493ppm TREO at High Grade Caldas Project”
- ASX release 20 May 2025 “Significant REE Results Expand Caldas Project Footprint”
- ASX release 15 October 2025 “Axel to Accelerate Caldas REE Project”
- ASX release 30 July 2026 “Caldas South Identified as New ISR REE Target”

The Company confirms that it is not aware of any new information or data that materially affects the information included in those announcements. The Company also confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original announcements.

No new exploration results are reported in this announcement.