ALVO MINERALS
ASX:ALV

Maiden Drilling Commenced at Florence as 188 Auger Holes Await Assays at Bluebush HREE DyTb Project

Highlights

- **Maiden drilling has commenced at the Florence prospect**, the southernmost area of Alvo's Bluebush Ionic Adsorption Clay (**IAC**) Heavy Rare Earth Element (**HREE**) Project, with over **100 auger holes planned** to test the clay profile developed on the Serra Dourada granite.
- Florence sits on the **same Serra Dourada granite that hosts the Serra Verde HREE IAC mine**, recently acquired by USA Rare Earth Ltd (USA REE)[1] for **US$2.8 billion**, and is the part of Alvo's tenure closest to Serra Verde.
- Together with Florence, **Alvo and USA Rare Earth control approximately 95%** of the Serra Dourada granite—the host rock underpinning the only operating ionic adsorption clay (IAC) rare earth mine outside Asia—**creating a formidable barrier to entry**
- Drilling follows Alvo's prior results[2], which confirmed **thick, HREE (DyTb) enriched ionic clays from surface** at Boa Vista, including:
  - 19.5m @ 1,324ppm TREO (38ppm DyTb) from 0.5m in BLD004
  - 6m @ 2,537ppm TREO (65ppm DyTb) from 0m in BLG0008,
    - incl. 3m @ 3,415ppm TREO (95ppm DyTb) from 3m
- **Six sample batches from 188 auger holes are at the laboratory**, totalling 1,369 drill samples, covering Boa Vista (including the new EZX area[3]) and São Bento. **First results are expected from late October**, continuing into the new year.
- Analysis includes **full rare earth suite assays** and **desorption (leach) assays** that measure the extractable ionic portion of the rare earths, a key input to the planned Mineral Resource Estimate (**MRE**) and to the evaluation of processing routes, including in situ recovery (**ISR**).
- Alvo's own portable electromagnetic (**Loupe**) survey system will commence at Florence within the next 10 days to map the depth to fresh granite, following more than 18km of survey lines completed at Boa Vista in early October.
- Work is progressing towards a **maiden JORC Mineral Resource Estimate at Boa Vista**, alongside accelerated development studies and ongoing assessment of **in situ recovery (ISR) pathways**, true ionic adsorption clay (IAC) characteristics

Alvo Minerals Limited (ASX: ALV) ("**Alvo**" or the "**Company**") is pleased to announce that drilling has commenced at the Florence prospect, part of the Bluebush Ionic Adsorption Clay Heavy Rare Earth

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[1] USA Rare Earth NASDAQ Release 20 April 2026: USA Rare Earth Announces Definitive Agreement to Acquire Serra Verde Group for ~US$2.8 billion, Creating the Global Rare Earth Leader. The transaction closed in early September 2026.
[2] ALV ASX 8 October 2026: Bluebush Contract Completion & Further Drilling Delivers District Scale High Value HREE DyTb Enriched Ionic Clays.
3 ALV ASX 24 August 2026: Alvo Expands Bluebush Heavy REE Footprint, Brazil

Project (**Bluebush IAC HREE** or the **Project**) in Goiás, Brazil. This is the first drilling program at Florence. The program of over 100 auger holes is designed to test the extent, thickness and grade of the ionic clay profile across the prospect.

In parallel, samples from 188 auger holes at Boa Vista and São Bento are with the independent SGS Geosol laboratory, with first results expected from late October. Together, the Florence drilling and the pending results form the next phase of work toward a maiden MRE at Bluebush.

Rob Smakman, Alvo's Managing Director commented on the exploration program:

> *"Our results earlier this month confirmed that Bluebush hosts thick, heavy rare earth enriched ionic clays starting at surface, on the same granite as Serra Verde. Florence is the next step in testing how far that system extends across our tenure, and it is the part of Bluebush closest to Serra Verde. We are using both truck mounted and handheld augers to cover the area as thoroughly as possible, and our geophysics team will follow shortly behind the rigs.*
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> *"We also have close to 1,400 samples from 188 auger holes at the laboratory. Importantly, these batches include leach testing alongside the standard assays, which will show how much of the dysprosium, terbium and other rare earths is held in the readily extractable ionic form. That is the critical number for both the Mineral Resource and for assessing low-cost processing options, including ISR.*
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> *"With drilling underway at Florence, results pending from Boa Vista and São Bento, and testwork underway at ANSTO, Bluebush has a steady flow of news ahead as we work toward a maiden Mineral Resource Estimate in 2027."*

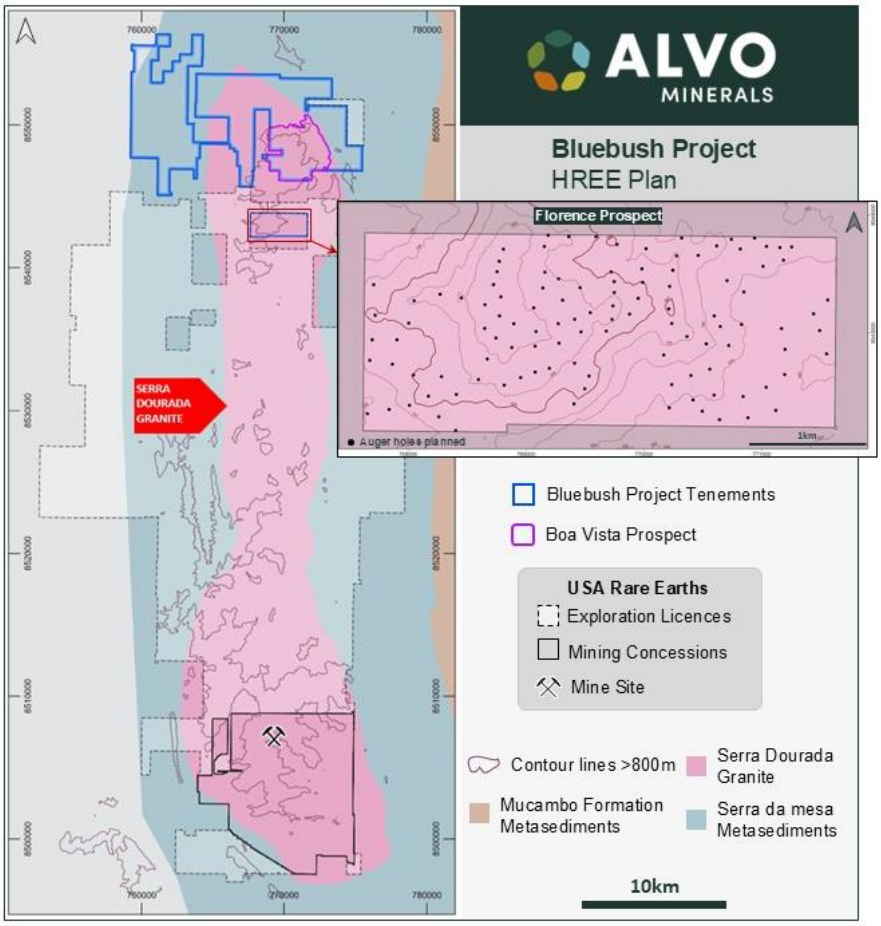

Figure 1: Florence prospect, Bluebush Project, showing planned auger drilling.

Florence Drilling Program

The Florence prospect covers approximately 656ha in the southern part of the Bluebush tenure, south of the Praia and Boa Vista prospects (Figure 1). It lies entirely on the Serra Dourada granite and has not previously been drilled.

The program of over 100 holes will use both truck mounted and handheld auger rigs (Figure 2). Drilling is expected to continue through 2026 and into 2027, should progressive results indicate prospectivity.

Alvo routinely tests drill samples with a hand-held XRF analyser, to get an indication of rare earth content. This testing is an important qualitative control on drilling and allows the drill program to progress dynamically, focusing on the most prospective areas. Soil sampling is also planned across the prospect to help guide drill priorities.

Figure 2: Truck mounted auger (left) and handheld auger (right) drilling at Bluebush.

Samples at the Laboratory

Alvo has six batches of auger samples at SGS Geosol, submitted between August and early October 2026 (Table 1). The batches total 1,369 drill samples from 188 auger holes.

The first batches are expected to report by late October, with the remaining batches reporting progressively into the new year. A further batch, from infill handheld auger drilling currently underway within the planned MRE area at Boa Vista, will be submitted once that drilling is complete.

Electromagnetic Survey

Alvo owns and operates a Loupe portable time domain electromagnetic system (Figure 3). The system measures the electrical conductivity of the ground and is being used to distinguish the clay-rich saprolite from the underlying fresh granite.

At Boa Vista, more than 18km of survey lines were completed in early October. The survey is being calibrated against the depth to fresh granite intersected in diamond drilling and is designed to map the thickness of the clay profile between drill holes, including beneath auger holes that ended in mineralisation. Surveying at Florence is scheduled to begin within the next 10 days.

Mapping the depth to fresh granite is important for two reasons. It defines the potential volume of mineralised clay for resource estimation, as many auger holes at Bluebush ended in mineralisation above fresh rock. It also maps the base of the clay profile, which is relevant to assessing whether the fresh rock contact could act as a lower boundary to solution flow, should ISR be considered.

Figure 3: Loupe portable electromagnetic survey underway at Bluebush.

About the Bluebush IAC HREE Project

Bluebush covers 9,859ha on the northern part of the Serra Dourada granite, the same host rock as the Serra Verde IAC mine, the only scale producer outside Asia of all four magnet rare earths, including dysprosium (Dy) and terbium (Tb). Dy and Tb are subject to Chinese export controls and are the highest value magnet rare earths. Results to date at Bluebush demonstrate:

- Thick clay hosted mineralisation starting at or near surface, with diamond holes intersecting fresh granite between 10m and 35m below surface (average 20m);
- HREE enrichment, with DyTb averaging approximately 26ppm, or ~14.2% of the magnet rare earth oxide (MREO) content, across the significant intercepts reported on 8 October 2026; and
- Ionic adsorption clay character, with first pass desorption testwork (0.5M ammonium sulphate, pH 4, ambient temperature, 30 minutes) extracting up to 89% of Nd (average 60%) and up to 83% of total MREO (average 56%).[4]

Bluebush samples are also with ANSTO in Australia for diagnostic leaching using magnesium sulphate and for column leach testwork. Alvo has not yet measured permeability at Bluebush. The ANSTO testwork, together with planned field hydraulic testing, is designed to determine whether the Bluebush clays are amenable to ISR.

Next Steps

- Complete the Florence auger program of 100+ holes, and the electromagnetic survey, followed by soil sampling;
- Report results from the six batches of assays at SGS Geosol as they are received;
- Continue infill auger drilling within the planned MRE area at Boa Vista;
- Complete ANSTO diagnostic and column leach testwork; and
- Deliver a maiden JORC MRE for Boa Vista, targeted for early 2027.

[4] ALV ASX 2 November 2023: Metallurgical Tests Confirm Bluebush as Ionic Clay.

1234**Enquiries**

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About Alvo

The Company was founded to explore for base and precious metals, hunting high-grade copper and zinc at its Palma Copper Zinc Project in Tocantins State, Brazil. Palma has a JORC 2012 Mineral Resource Estimate* of 7.6Mt @ 2.0% CuEq or 6.2% ZnEq (0.7% Cu, 3.4% Zn, 0.6% Pb & 16g/t Ag and 0.03g/t Au). This MRE is categorised as Indicated: 3.3Mt @ 2.3% CuEq or 6.9% ZnEq and Inferred: 4.3Mt @ 1.8% CuEq or 5.6% ZnEq.

Alvo is now advancing the Bluebush Ionic Adsorption Clay (IAC) Heavy Rare Earth Project in Tocantins and Goias State. Bluebush covers 9,859ha on the northern part of the Serra Dourada granite, where drilling at has confirmed thick ionic clays enriched in the heavy rare earth minerals, dysprosium and terbium from surface. Alvo is also exploring the Ipora REE Project, in Goiás.

Alvo's strategic intent is to aggressively explore and deliver growth through discovery, leveraging management's extensive track record in Brazil. There are three phases to the exploration strategy – Discover, Expand and Upgrade. Alvo is committed to fostering best-in-class stakeholder relations and supporting the local communities in which it operates.

** For details of the Palma Mineral Resource Estimate, please refer to ALV ASX Announcement dated 19 July 2024: 65% Increase in Palma Resource to 7.6Mt @ 2.0% CuEq*

Graeme Slattery – Non-Executive Chairman
Rob Smakman – Managing Director
Beau Nicholls – Non-Executive Director

Projects:
Palma VMS Cu/Zn Project
Bluebush Ionic Clay HREE Project
Ipora Ionic Clay REE Project

ASX Code: ALV

Forward Looking Statements

Statements regarding plans with respect to Alvo's projects and its exploration programs are forward-looking statements. Forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside Alvo's control and actual values, results or events may be materially different to those expressed or implied herein. Alvo does not undertake any obligation, except where expressly required to do so by law, to update or revise any information or any forward-looking statement to reflect any changes in events, conditions, or circumstances on which any such forward-looking statement is based.

Competent Person's Statement

The information contained in this announcement that relates to recent exploration results is based upon information compiled by Mr Rob Smakman of Alvo Minerals Limited, a Competent Person and Fellow of the Australasian Institute of Mining and Metallurgy. Mr Smakman is a full-time employee of Alvo and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the "Australasian Code for Reporting of Mineral Resources and Ore Reserves" (or JORC 2012). Mr Smakman consents to the inclusion in this announcement of the matters based upon the information in the form and context in which it appears.

No New Information

Except where explicitly stated, this announcement contains references to prior exploration results, all of which have been cross-referenced to previous market announcements made by the Company. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements.

The information in this announcement that relates to the Mineral Resource estimate for the Palma VMS Project was first reported by the Company in accordance with the JORC Code on 19 July 2024. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement, and that all material assumptions and technical parameters underpinning the Mineral Resource estimate in the relevant market announcement continue to apply and have not materially changed.