CORPORATE UPDATE – STRATEGIC DEVELOPMENT OF AFRICAN PORTFOLIO AND NEW GROWTH OPPORTUNITIES

HIGHLIGHTS

- Highland Metals Limited (ASX: HLM) continues to advance its strategic focus on the development of its African exploration portfolio.
- Technical review underway to assess the exploration potential of the Uis critical-metals asset in Namibia, with a particular focus on the extensive tin mineralisation identified and its strategic project location along strike of the operating Uis Tin Mine.
- In parallel with the advancement of its existing portfolio, Highland continues to evaluate new project acquisition and investment opportunities capable of complementing its existing assets and providing additional pathways for shareholder value creation.
- The Company's approach remains focused on disciplined capital allocation, technical merit, exploration upside and opportunities capable of strengthening the overall quality and strategic positioning of the Highland portfolio.

CORPORATE UPDATE

Highland Metals Limited (**ASX: HLM**) (“**Highland**” or the “**Company**”) is pleased to provide an update on its corporate strategy as the Company continues to advance its existing African assets while evaluating additional project acquisition and investment opportunities.

Highland's existing African portfolio provides the Company with exposure to gold, copper and critical metals across Ethiopia and Namibia. The Company's strategy is focused on strengthening this African operating platform, advancing priority exploration targets and maintaining disciplined capital allocation.

The Board believes the combination of advancing the existing portfolio and selectively assessing new opportunities provides Highland with multiple potential avenues for exploration-led growth and value creation.

STRATEGIC DEVELOPMENT OF AFRICAN ASSETS

Uis Project, Namibia

At Uis, Highland continues to assess opportunities to unlock value from the extensive exploration database already generated across the Project.

Previous work at Uis has demonstrated exposure to a polymetallic system containing tin, tantalum, lithium, rubidium and caesium, while the Company's recent technical work has placed increased focus on the significance of the existing tin exploration results.

Highland considers Uis an important strategic asset within its African portfolio and will continue evaluating opportunities to advance the Project in a disciplined and capital-efficient manner.

Nejo Gold-Copper Project, Ethiopia

The Nejo Gold-Copper Project remains an important component of Highland's African strategy.

Subject to receipt of the necessary approvals, planned activities include diamond drilling, trenching, detailed geological mapping, systematic geochemical sampling and targeted geophysical surveys.

Highland's focus is on systematically building the geological understanding of the Project and testing priority gold and copper targets across the broader project area.

The Company acknowledges the challenges associated with the permitting environment in Ethiopia but remains committed to continuing to engage with key stakeholders at all levels with a view to undertaking exploration once required exploration approvals have been obtained.

EVALUATION OF NEW PROJECT OPPORTUNITIES

Alongside the development of Uis and permitting activities at Nejo, Highland is continuing to assess new project acquisition and investment opportunities.

This is consistent with the Company's strategy of evaluating opportunities capable of complementing its existing asset portfolio while providing additional potential value and returns for shareholders.

The Company's assessment of potential new opportunities will be selective and technically driven, with particular consideration given to:

- geological and exploration potential;
- the ability to complement or strengthen Highland's existing commodity and jurisdictional exposure;
- potential pathways for systematic exploration and project advancement;
- acquisition structure and capital requirements; and
- potential to create meaningful value for Highland shareholders.

The Company will only announce potential transactions as and when they reach a stage requiring disclosure in accordance with the ASX Listing Rules.

EXECUTIVE DIRECTOR COMMENT

Highland Metals Executive Director Gino D'Anna said:

> *"Highland is entering an important phase in the development of its project portfolio.*
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> *Our African assets provide us with a strong existing platform across gold, copper and critical metals. At Uis we continue to evaluate how best to unlock value from the significant body of exploration work already completed while at Nejo, our focus remains on positioning the Project for disciplined systematic exploration, subject to the receipt of the necessary approvals.*
>
> *At the same time, we believe it is important that Highland remains commercially agile. We are continuing to evaluate new project opportunities where we see the potential to add high-quality assets to the portfolio on terms that can create meaningful value for shareholders.*
>
> *Our objective is not growth for growth's sake. We intend to remain disciplined and technically focused, advancing our existing assets while pursuing new opportunities where the geology, commercial structure and potential value proposition are compelling."*

LOOKING AHEAD

Highland's near-term corporate strategy will remain centred on three complementary priorities:

1. **Evaluating and advancing the substantial critical-metals opportunity at Uis;**
2. **Completing the permitting phase to enable detailed systematic exploration to commence at Nejo; and**
3. **Selectively pursuing new project acquisition and investment opportunities capable of strengthening Highland's overall portfolio.**

The Company will continue to update shareholders as material developments occur across these workstreams.

This announcement is authorised for release by the Board of Highland Metals Limited.

- ENDS –

FOR FURTHER INFORMATION PLEASE CONTACT

INVESTORS

Gino D'Anna
EXECUTIVE DIRECTOR

E. gino@highlandmetalslimited.com

ABOUT HIGHLAND METALS

Highland Metals is a focused African exploration company with a portfolio of highly prospective gold and critical minerals projects in Ethiopia and Namibia. The Company's flagship Nejo Project in Ethiopia is an advanced-stage brownfields gold and copper opportunity located on the Arabian-Nubian Shield, with a district-scale landholding of approximately 1,200km^2 surrounding the 1.7Moz Tulu Kapi Gold Mine and along strike from the 3.4Moz Kurmuk Mine.

In Namibia, Highland is advancing its 100%-owned Uis Project, a highly prospective polymetallic critical minerals project located within the Cape Cross–Uis Pegmatite Belt. The project sits close to Andrada Mining's operating Uis Tin Mine and is strategically positioned with access to the Walvis Bay Deepwater Port via sealed road infrastructure.

Highland continues to progress exploration across both core assets, with a focus on unlocking value through systematic drilling, target generation and resource growth opportunities.

For more information please visit: www.highlandmetalslimited.com

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This document contains forward-looking statements concerning Highland Metals Limited. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward-looking statements in this document are based on the Company's beliefs, opinions and estimates of Highland Metals Limited as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

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