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AMARGOSA BAUXITE PROJECT

Scoping Study Supports Large-Scale, Low-Cost Direct Ship Bauxite Project with Strong Economic Returns

Brazilian Rare Earths Limited (ASX: BRE) (OTCQX: BRELY / BRETF) announces the results of the Scoping Study for its 100%-owned Amargosa Bauxite-Gallium Project (Amargosa, or the Project) in Bahia, Brazil.

The Study was led by SLR Consulting Limited (SLR) and BRE with support from other industry specialists, including MIPTEC Engenharia & Consultoria Ltda., a leading Brazilian engineering firm focused on project design and cost estimation for bulk-commodity projects, and CM Group, an independent bauxite market consultant.

The Scoping Study confirms that Amargosa has the potential to be a large-scale, capital-efficient, direct-ship-bauxite (DSB) project with strong economic returns. Benchmarking by CM Group positions Amargosa as a first-quartile project on the global seaborne bauxite cost curve.

The current development pathway is a ~5 million tonne per annum truck-and-shovel DSB operation that leverages existing road infrastructure and an established export port to deliver high-quality, low-silica bauxite into the global seaborne market.

BRE Managing Director and CEO, Bernardo da Veiga, said:

"The Scoping Study supports Amargosa's potential as a leading, capital-efficient and high-quality DSB project: simple to execute, scalable and highly advantaged by direct access to established road and port infrastructure.

Amargosa's location in Bahia provides a foundation for development, with an experienced mining workforce, favourable taxes and royalty settings, mature regulation and clear government support.

Importantly, the Study also evaluates the Southern FIOL rail option that underpinned prior feasibility studies. We see FIOL as a valuable longer-term expansion pathway at higher bauxite prices, but the optimal starting point is our low-capex 5 Mtpa DSB base case, which materially reduces development risk and capital by deferring rail, major infrastructure and beneficiation requirements.

These results highlight the potential for strong margins and durable free cash flow generation from a high-quality bauxite product in a tightening seaborne market, subject to further studies, approvals and financing.

In line with our strategy, we are targeting a 2026 de-merger of Amargosa via an in-specie distribution into a new ASX-listed company, while BRE continues to focus on building value across our exceptional rare earth and critical minerals portfolio."

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Scoping Study Parameters – Cautionary Statement

The Scoping Study has been completed to assess the potential technical and economic viability of Amargosa and to help BRE determine whether to proceed to more definitive feasibility studies. It is a preliminary technical and economic assessment prepared to an intended accuracy level of ±35%. The results should not be considered as, or relied upon as, a production forecast or profit forecast.

In accordance with the ASX Listing Rules, BRE advises that the Scoping Study is based on low level technical and economic assessments that are insufficient to support the estimation of Ore Reserves. Further work, including infill drilling, additional metallurgical testwork and more detailed engineering and economic studies will be required before BRE is able to estimate Ore Reserves or provide any assurance of an economic development case.

The production target evaluated in the Study is derived from the current JORC (2012) Mineral Resource estimate for Amargosa. BRE confirms that it is not aware of any new information or data that materially affects the information included in the previous Mineral Resource estimate and that all material assumptions and technical parameters underpinning the estimate continue to apply and have not materially changed. Approximately 89% of the total production target is in the Indicated Mineral Resource category and 11% is in the Inferred Mineral Resource category.

Inferred Mineral Resources are considered too speculative geologically to apply Modifying Factors in sufficient detail to support the estimation of Ore Reserves, and there is no certainty that the production target or the forecast economic outcomes will be realised.

The Scoping Study is based on a number of material assumptions, including in relation to capital and operating costs, product pricing, exchange rates, logistics (road, port and shipping), permitting and approvals, fiscal regimes and the availability and cost of future funding. While BRE considers all such assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the Study will be achieved.

Development of the Project, if it proceeds, will require additional funding. Investors should note that there is no certainty that BRE will be able to raise the required funding when needed or on terms acceptable to the Company. Funding may only be available on terms that dilute or otherwise affect the value of BRE's existing shares. BRE may also pursue other value realisation strategies, such as a sale, partial sale or joint venture of the Project; if implemented, these could reduce BRE's proportionate ownership of, or economic interest in, Amargosa.

The Company has concluded that it has a reasonable basis for the forward looking statements contained in this announcement and expects that it will be able to fund the development of the Project, subject to successful completion of further studies and financing. Key assumptions supporting the Study, including development strategy and funding pathway, are set out in this announcement (including in Appendix B). Given the uncertainties inherent in a Scoping level assessment, investors should not make investment decisions based solely on the results of the Scoping Study.

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AMARGOSA SCOPING STUDY HIGHLIGHTS

- **Large, high-quality bauxite resource:** JORC Mineral Resource Estimate of 568 Mt, including 98 Mt of high-quality, low silica direct-ship-bauxite with strategic gallium content. Large-scale resource platform for a long-life operation with future expansion optionality.

- **Simple, low-cost direct ship export project:** 5 Mtpa, low strip-ratio, truck-and-shovel operation with efficient road logistics to an established port. Benchmarking by CM Group positions Amargosa as a first-quartile project on the global seaborne bauxite cost curve

- **Robust cashflow:** Forecast average EBITDA of US$102 million pa and FCF of US$84 million pa over a 17-year life (Spot bauxite price US$71/tonne)

- **Strong economic returns:** Forecast after-tax NPV8% of US$630 million and a payback of 1.2 years (Spot bauxite price US$71/tonne)

- **Large-scale production growth potential:** Significant opportunity for production growth beyond initial 5 Mtpa DSB operation – underpinned by Amargosa's large-scale, high-quality resource base

- **Leading bauxite province:** Amargosa, strategically located in Bahia, one of Brazil's premier mining states, with highly competitive tax and royalties, access to skilled labour and infrastructure, and strong government support for development. Licensing of ~2–3 years for similar projects supports a pathway to potential development by 2028, subject to approvals.

- **Strong global bauxite market dynamics:** China's bauxite imports have surged from less than 5 Mtpa to ~200 Mtpa over the last 20 years. Guinea has emerged as the dominant supplier and is expected to account for around 78% of China's bauxite imports in 2025 – highlighting supply risk concentration. Armargosa represents a large-scale, high-quality alternative from a stable world-class and established mining province.

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KEY SCOPING STUDY RESULTS

Pricing & Production	Units	
Bauxite Price	US$/dmt	Spot US$71/t
First Production	yr	2029
Avg. Annual Production (DSB)	Mtpa (dry)	5.1
Life of Mine	yrs	17
Life of Mine Production (DSB)	Mt (dry)	86

Average Annual Financials		
Realised Price	US$/dmt	$71.13
Revenue	US$ m	$359 m
Royalties	US$ m	-$11 m
Operating Costs	US$ m	-$246 m
EBITDA	US$ m	**$102 m**
Tax	US$ m	-$13 m
Sustaining Capex	US$ m	-$5 m
FCF	US$ m	**$84 m**

Construction Capex		
Capex to First Production(1)	US$ m	**$119 m**

Economics		
After-Tax NPV8%	US$ m	**$630 m**
After-Tax IRR	%	82%
NPV/Capex Ratio	x	5.3x
FCF Margin	%	23%
Payback	yrs	1.2

(1) Includes 35% contingency.

The production target set out in the table below is based on the current JORC (2012) Mineral Resource estimate for Amargosa and comprises approximately 89% Indicated Mineral Resources and 11% Inferred Mineral Resources. Inferred Mineral Resources are considered too speculative geologically to apply Modifying Factors in sufficient detail to support the estimation of Ore Reserves, and there is no certainty that the Production Target, or the forecast economic outcomes derived from it, will be realised. The forecast financial information in this announcement, including NPV, IRR, EBITDA and cash flow estimates, is based solely on this Production Target and the material assumptions outlined in this announcement.

Amargosa: High-quality direct ship bauxite competitive with the Guinean benchmark

Amargosa has a globally significant JORC Mineral Resource Estimate of 568 Mt, including 98 Mt of high-quality, low-silica direct-ship-bauxite hosted within thick, laterally continuous seams. The bauxite sequence is near surface, and benefits from consistent quality across large plateau-scale areas.

The DSB product quality is competitive with benchmark Guinean metallurgical bauxite (41% TAA, 1.6% RSI) and attractive to international alumina refiners seeking high-quality supply from a reliable, stable jurisdiction. The larger bauxite resource can be upgraded to export-grade specifications via simple, low-cost beneficiation and this opportunity will be advanced in future feasibility studies.

JORC Mineral Resource Estimate

In-Situ Mineral Resources					
((Indicated + Inferred)	Tonnes (m)	TAA (%)	RSI (%)	Ga (ppm)	Ga ('000 kg)
Direct Ship Bauxite	98	41.9%	2.5%	51.6	5,046
Beneficiable Bauxite	470	27.3%	6.2%	46.9	22,053
Total	**568**	**29.8%**	**5.6%**	**47.7**	**27,098**

Processed 20+ Mesh Bauxite Product					
(Indicated + Inferred)	Tonnes (m)	TAA (%)	RSI (%)	Ga (ppm)	Ga ('000 kg)
Beneficiable Bauxite	191	40.8%	2.7%	n.a.	n.a.
Total	**191**	**40.8%**	**2.7%**	**n.a.**	**n.a.**

Amargosa's bauxite is notable for its low reactive silica content, a growing advantage as global refineries face rising costs, higher environmental standards and feedstock constraints. Against a backdrop of declining high-grade supply and increasing reliance on lower-grade, higher-silica ores, Amargosa's low reactive silica bauxite is well suited for blending, with potential benefits including:

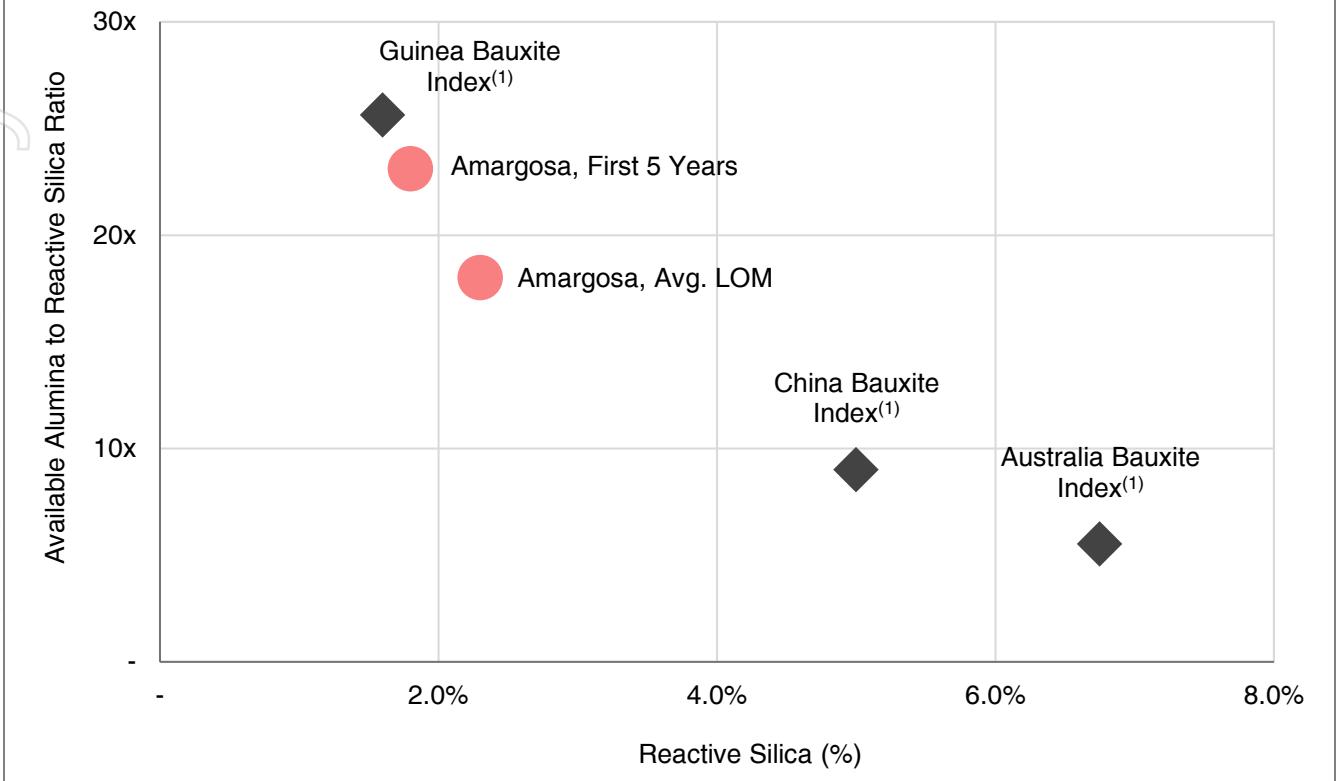
- Reduced caustic soda consumption
- Improved alumina recoveries
- Reduced red mud generation

As alumina refineries tighten feed specifications to manage processing penalties and environmental liabilities, Amargosa's DSB product enhances blending optionality, optimises feed mixes and can contribute to extending refinery asset life.

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Amargosa Product Quality vs. Key Bauxite Indices



(1) CM Group GBIX (41% Available Alumina and 1.6% Reactive Silica; CBIX (45% Available Alumina and 5% Reactive Silica), ABIX (37.25% Available Alumina, 6.75% Reactive Silica)

Shallow, low-strip mining across thick, laterally continuous bauxite seams

Simple, low-cost mining of the DSB resource will be via truck-and-shovel operations, aided by Amargosa's shallow (within 1-4 m of surface), laterally continuous bauxite seams that average 4-5 m in thickness and reach cumulative thicknesses of up to 35 m.

This favourable geometry underpins a low 0.7:1 waste-to-bauxite strip ratio.

Amargosa's planned mining sequence will be:

- Dozer-rip of the soft lateritic profile, with overburden stockpiled and progressively returned for rehabilitation
- Excavators loading DSB directly into haul trucks
- Haulage to stockpiles, prior to road transport to port

Amargosa's large-scale and consistent DSB mining domains support predictable product specifications over the project life. The mine schedule delivers tight product grades (available alumina: 41-42% and reactive silica:1.5-2.9%), that support efficient low-cost mining without the extensive, multi-source blending and washing required at many major bauxite operations

The schedule supports a Production Target of 86 Mt of DSB over a 17-year mine life, with 89% of product sourced from Indicated Mineral Resources. The combination of low-strip-ratio and direct-ship-bauxite underpins Amargosa's capital-efficient development with a low operating cost profile.

Operational Summary		
	Units	
Life of Mine	years	17
Avg. Annual Direct Ship Bauxite Production	dmt	5.1
LOM Direct Ship Bauxite Production	dmt	86
LOM Indicated Production	%	89%
LOM Inferred Production	%	11%
Strip Ratio	Waste : Bauxite	0.7 : 1
Total Available Alumina	%	41.4%
Reactive Silica	%	2.3%

Strategic location near established logistics infrastructure

Amargosa is strategically positioned close to established highways and bulk-export infrastructure, supporting a fast-track, capital-efficient and operationally simple direct-ship-bauxite development.

The North District is ~20 km from the BR-101 federal highway - a paved, multi-lane freight corridor enabling reliable, year-round haulage and direct access to Bahia's coastal export network. The logistics pathway comprises:

- Road haulage of DSB using high-efficiency 9-axle road trains (e.g., Scania G 460 or equivalent) with ~50-tonne payloads
- Road transport ~160 km northeast to the Port of Enseada via established highway corridors
- Use of existing stockyard capacity and proven Capesize transshipment capability at Enseada

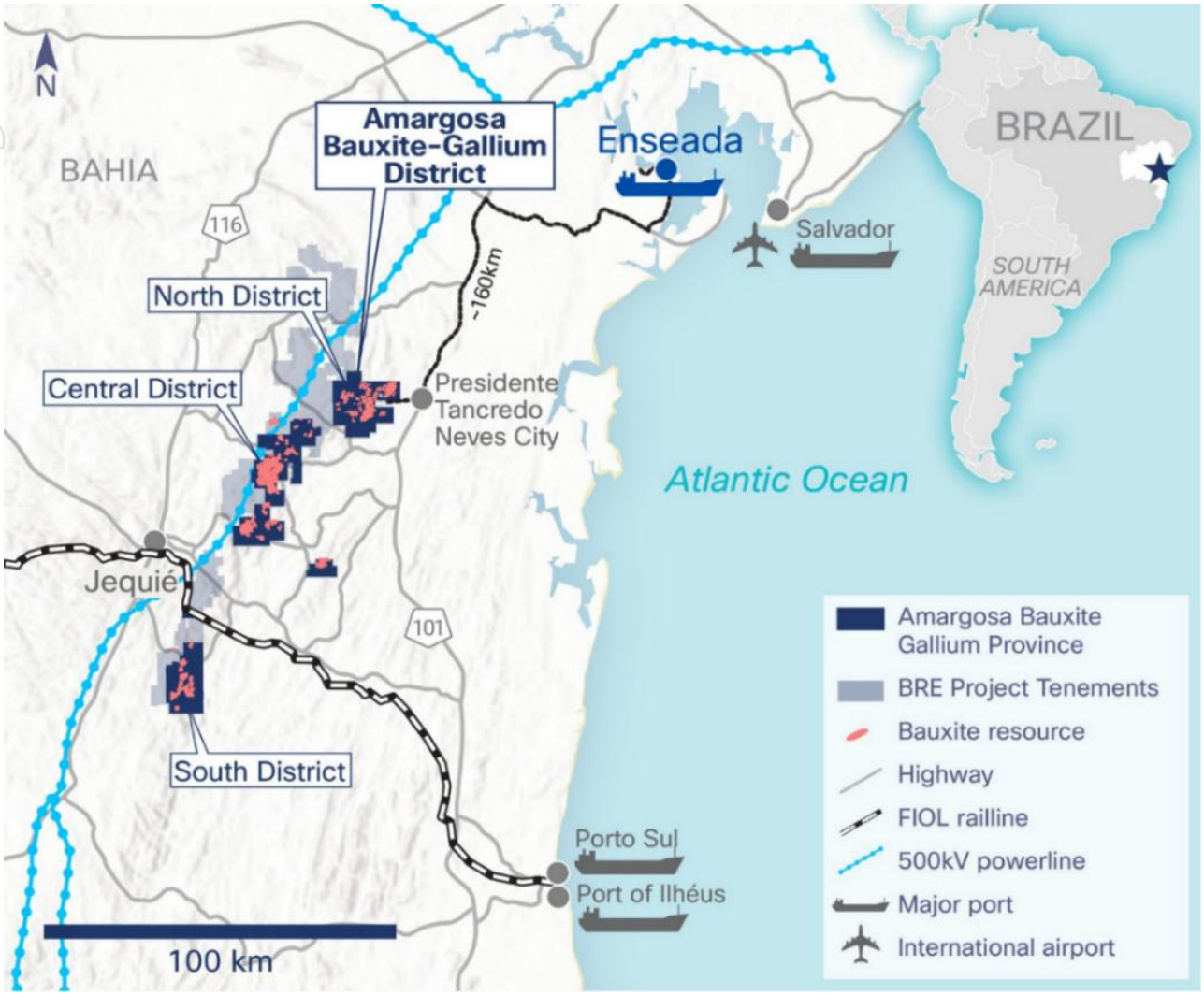
The Port of Enseada is an established industrial bulk-export complex with +US$1 billion of historical investment, dedicated materials-handling infrastructure and operating capability. Combined with reliable road access, this provides Amargosa with a clear logistics advantage whilst minimising new infrastructure requirements and reducing execution risk.

Importantly, there is significant upside to expand exports beyond 5 Mtpa through the logistics network. This includes trucking payloads, access routes and port investment configurations. These production and export expansion opportunities are a priority and will be advanced in the next phase of feasibility studies.

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Project Location & Infrastructure



Simple, low-cost mining and logistics underpin potential for strong economic returns

The Scoping Study confirms the potential for robust economic returns with:

- Simple, low-cost DSB mining operations
- Efficient, low-cost road and port logistics
- High-quality, low-reactive-silica DSB product with favourable value-in-use adjustments relative to benchmark indices
- Benchmarking by CM Group positions Amargosa as a first-quartile project on the global seaborne bauxite cost curve

Collectively, these position Amargosa as a low-cost, long-life source of high-quality bauxite with significant cashflow potential. At spot bauxite prices of US$71/tonne, forecast economics include:

- After-tax $NPV_{8\%}$ of US$630 million
- Average life-of-mine EBITDA of ~US$102 million pa
- Average FCF of ~US$84 million pa

- Capex to first production of US$119 million (including 35% contingency)
- Payback period of 1.2 years

At CM Group's price forecast scenarios of US$65/tonne and US$80/tonne, the forecast economics are:

Amargosa Economics – Bauxite Prices				
Bauxite Price	US$/dmt	Spot $71/t	CM $65/t	CM $80/t
Annual EBITDA (First 5 Years)	US$ m	$117 m	$88 m	$161 m
After-Tax NPV8%	US$ m	**$630 m**	**$403 m**	**$970 m**
After-Tax IRR	%	82%	59%	114%
NPV/Capex Ratio	x	5.3x	3.4x	8.1x
FCF Margin	%	23%	18%	30%
Payback	yrs	1.2	1.5	0.9

5 Mtpa DSB development timeline

Amargosa will now progress through advanced feasibility studies and permitting with the objective of achieving first production in 2029, subject to study outcomes, approvals and financing.

The Project development and operating plan - shallow, low-strip-ratio truck-and-shovel mining, progressive rehabilitation, low water demand and no wastewater discharge - is inherently low impact and aligns closely with regulatory expectations for lateritic mining in Brazil.

Key permitting and development advantages include:

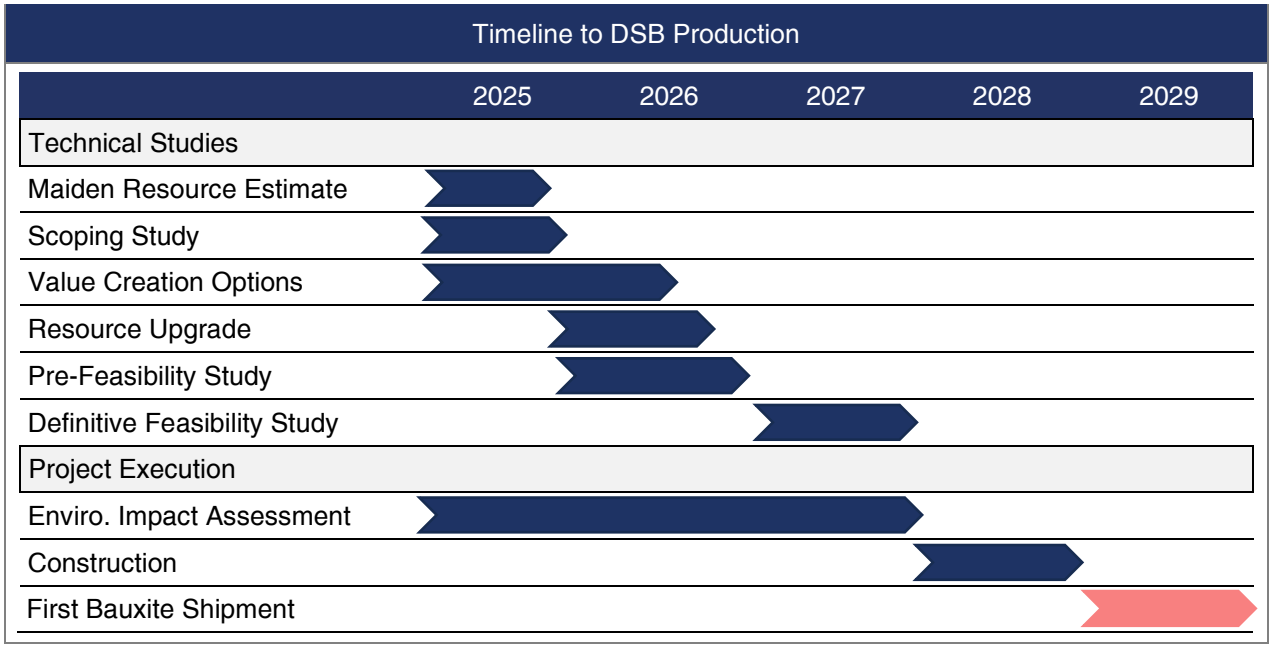
- Location in Bahia State, a well-established mining jurisdiction with a mature and clearly defined regulatory framework.
- Extensive legacy environmental datasets from Rio Tinto's prior feasibility programs, providing a strong technical foundation and accelerating study definition.
- Additional baseline field campaigns already completed, supporting preparation of the Environmental Impact Assessment (EIA) and stakeholder engagement as the Project advances.

The 5 Mtpa DSB development schedule reflects this simplicity. With no beneficiation plant, no tailings facility, and no requirement for major fixed infrastructure such as power generation, large accommodation camps or significant water infrastructure, early works are primarily limited to site access, DSB stockpile/ROM pads, and loading terminal infrastructure. This supports a shorter construction period, lower upfront capital, and reduced execution risk relative to conventional bauxite developments.

Importantly, Amargosa also offers material upside beyond the initial 5 Mtpa case. Work is underway to evaluate logistics optimisation and bauxite upgrading/beneficiation options – Including dry screening – to support higher export volumes and extend project life. These initiatives are a priority and will be advanced through the next phase of feasibility studies.

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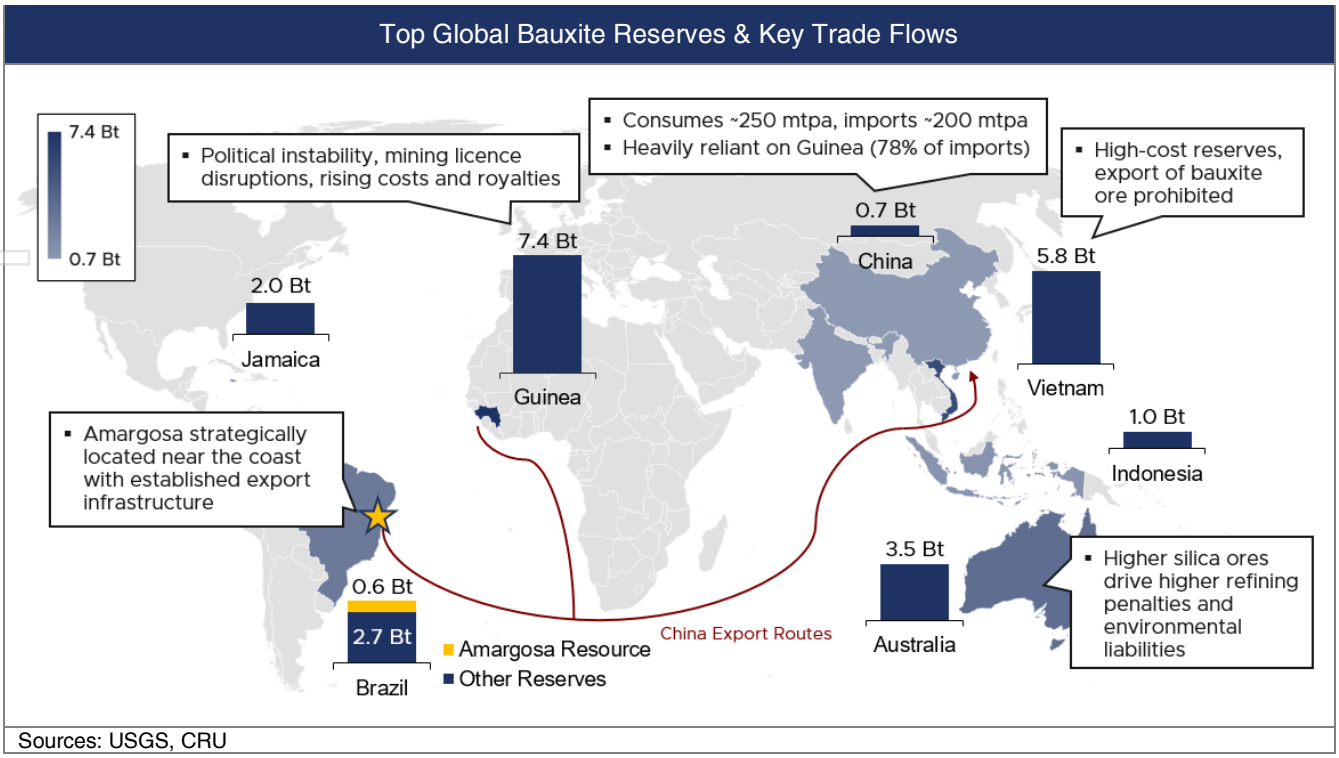
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Large-scale, high-quality direct-ship-bauxite asset for a tightening seaborne market

Amargosa is a low-cost direct-ship-bauxite development with the optionality to scale production through operational export logistics. Underpinned by a large, high-quality resource and a capital-efficient DSB development pathway, Amargosa is positioned as a leading development project for the tightening global seaborne bauxite market. Benchmarking by CM Group positions Amargosa as a first-quartile project on the global seaborne bauxite cost curve.

The global seaborne bauxite market is defined by a supply concentration into China, which accounts for approximately 85% of global seaborne bauxite demand and is increasingly reliant on imports as domestic bauxite production declines.

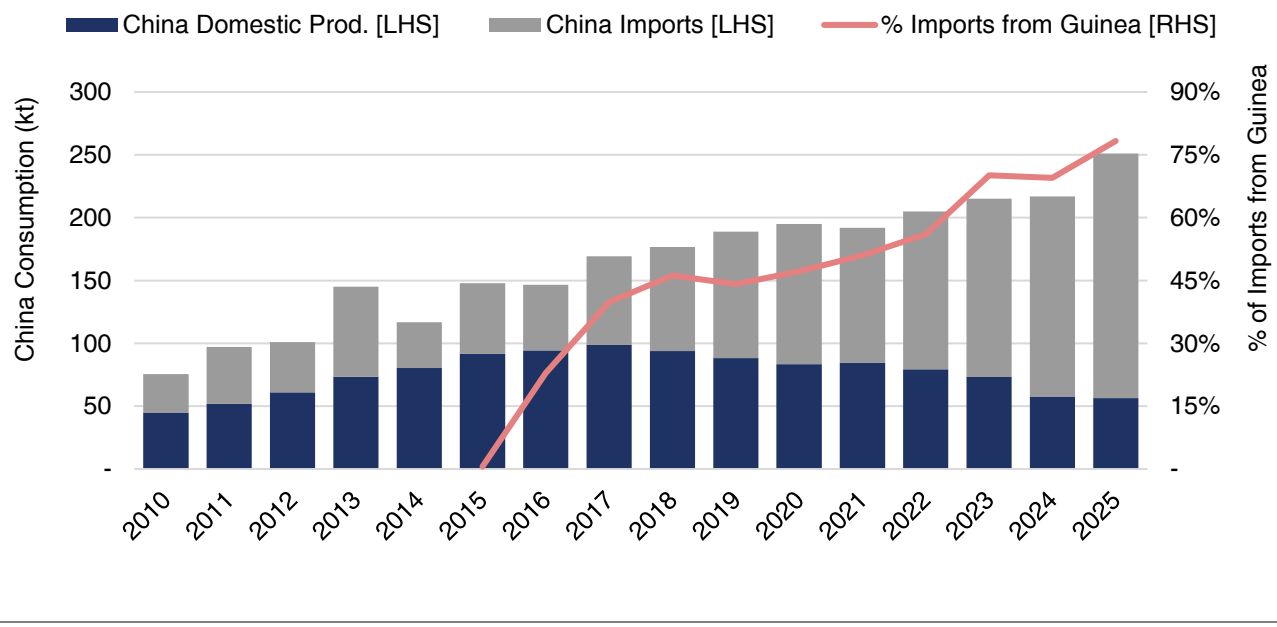


Sources: USGS, CRU

Since 2017, China's domestic bauxite production has been in decline, driving a continuous increase in import dependence. Guinea has emerged as the dominant supplier and is expected to account for 78% of China's bauxite imports in 2025. Recent geopolitical and infrastructure challenges – including government revocation of key mining licences and logistics bottlenecks – highlight the considerable risks associated with this growing supply concentration.

In contrast, Amargosa is strategically located in Bahia, Brazil, benefits from first quartile cost curve positioning and is well positioned to supply global alumina refiners seeking diversification, security of supply and high-quality bauxite feedstock.

Chinese Bauxite Consumption & Guinea Supply Concentration Risk



Source: CRU

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Project upside opportunities

BRE is advancing a series of opportunities that could materially enhance Amargosa's economics.

BRE is evaluating options to expand DSB production capacity and exports beyond the initial 5 Mtpa operation. Given Amargosa's large, resource base, a key opportunity to higher production is dry-screen beneficiation and logistics optimisation.

Key Project Opportunities	
Volume Expansion (DSB)	▪ Potential expansion beyond the initial 5 Mtpa DSB operation through optimisation of trucking payloads, haul routes and port operations ▪ Well supported by Amargosa's large-scale resource base
Volume Expansion (Rail Integration)	▪ Potential future integration with the FIOL-Porto Sul heavy-haul rail corridor offers significant scale and competitive long-term transport economics ▪ Project design and land access planning can be optimised to preserve future rail-loading optionality
Volume Expansion (Product Upgrading)	▪ Ongoing test work aims to assess and quantify enhanced product grades through dry-screening and bauxite beneficiation processes ▪ Potential to significantly increase production volumes + extend project life through increased total resource extraction
Resource Expansion	▪ Resource upside potential – longer project life, higher annual production exports ▪ Drilling and pit-shell optimisation to expand the bauxite resource base
Mining Operations	▪ Optimise mine scheduling, sequencing, and pit designs, building on low-strip ratios and laterally continuous bauxite seams ▪ Selective mining, and improved bauxite-waste boundary definition, optimising grades and unit costs
Road Haulage	▪ Potential to increase payloads through an additional axle and lower weight trays – lower transport unit costs
Land Acquisition	▪ Targeted land acquisition to optimise haulage routes, shorter haul distances and more direct access to stockpile and loading locations – potentially unlocking additional capacity and lower haulage costs

Southern Logistics Option – FIOL Rail Expansion

Beyond the 5 Mtpa DSB Northern Logistics base case (road haulage to Enseada), the Scoping Study assessed the Southern Logistics – FIOL Rail Option that earlier feasibility studies focussed on. This development pathway relies on Brazil's FIOL railway and future Porto Sul to significantly lift bauxite exports to ~15 Mtpa.

The concept adds a Central District rail load-out, a spur to FIOL ~40 km southwest and a ~150 km link to the planned Porto Sul deep-water terminal. FIOL is a federally regulated, open-access, 60 Mtpa corridor that is already ~70% complete on the Amargosa–Porto Sul segment.

In this scenario, first DSB production remains 5 Mtpa from the North District via Enseada in 2029. From 2032, the Central District contributes ~10 Mtpa via FIOL to Porto Sul, with later construction of beneficiation plants in both districts to process beneficiable bauxite and sustain the combined ~15 Mtpa production rate.

Independent engineering and cost studies confirmed the technical and commercial viability of the rail option. At bauxite prices of US$65–80/t, the Southern Logistics Option delivers a forecast after-tax $NPV_{8\%}$ of US$191 million to US$1.7 billion and an IRR of 26-92%. Spot bauxite US$71/t case forecasts an after-tax $NPV_{8\%}$ of US$789 million with a 58% IRR, demonstrating material expansion and upside beyond the base 5 Mtpa DSB case.

While the Southern Logistics – FIOL Rail Option offers attractive long-term scale and returns at higher bauxite prices, the 5 Mtpa DSB base case is a superior, lower-risk pathway to near-term development by avoiding the capital associated with a rail spur, supporting infrastructure and bauxite beneficiation plants.

Value creation pathway

With the Scoping Study complete, BRE is now focused on a de-merger of Amargosa to unlock shareholder value, and to focus on its world-class Rocha da Rocha high-grade rare earth province. To support these pathways, BRE has already lodged the required ASX suitability-for-listing materials for a targeted Amargosa spin-out in 2026.

This announcement has been authorised for release by the CEO and Managing Director.

For further information, please contact:

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MD and CEO

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Forward-Looking Statements and Information

This announcement contains forward-looking statements concerning the business, operations, financial performance, and results of Brazilian Rare Earths Limited ("BRE" or "the Company") and its subsidiaries. Forward-looking statements are not statements of historical fact and may include words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", "guidance", "target", or other similar expressions. These statements include, but are not limited to, comments regarding plans, strategies and objectives of management, anticipated timing of studies and development, forecast operating or financial performance, expected capital or operating costs, permitting and construction schedules, product pricing and market outlook.

Forward-looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance, or achievements to differ materially from those expressed or implied in such statements. These factors include, but are not limited to: changes in commodity prices and exchange rates; general economic and market conditions; cost escalation and demand for key inputs; the speculative nature of mineral exploration and development; risks associated with securing licences, approvals, and permits; variations in mineral grade or recovery; political and regulatory changes in Brazil; environmental conditions and extreme weather events; access to infrastructure; recruitment and retention of Competent personnel; community and social licence considerations; and availability of financing on acceptable terms.

The forward-looking statements in this announcement draw upon information and inputs provided by external consultants and the Company's own assessments. BRE does not give any assurance that these assumptions will be realised, or that actual results will not differ materially from those expressed in such statements. Many factors are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements speak only as of the date of this release, and except as required by law or the ASX Listing Rules, BRE disclaims any obligation to update or revise such statements to reflect new information, events, or circumstances after the date of this announcement.

Competent Persons Statement

The information in this announcement that relates to Exploration Results is based on, and fairly represents, information compiled or reviewed by Mr. Leon McGarry, a Competent Person who is a Professional Geoscientist (P.Geo.) and registered member of 'Professional Geoscientists Ontario' (PGO no. 2348), a 'Recognized Professional Organization' (RPO). Mr McGarry is Chief of Geology and a full-time employee of Brazilian Rare Earths Limited. Mr. McGarry has sufficient experience which is 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 2012 Edition of the 'Australasian Code for Reporting of Mineral Resources and Ore Reserves'. Mr. McGarry consents to the inclusion in this report of the results of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Exploration Targets and Mineral Resources is based on, and fairly represents, information compiled or reviewed by Anderson Candido, a Competent Person who is a Principal Resource Geologist and registered Fellow member of 'Australasian Institute of Mining and Metallurgy' (F.AusIMM no 990424), a 'Recognized Professional Organization' (RPO). Mr. Anderson Candido is a Principal Resource Geologist, and full-time employee at SLR Consulting. Mr. Anderson Candido has sufficient experience which is 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 2012 Edition of the 'Australasian Code for Reporting of Mineral Resources and Ore Reserves'. Mr. Anderson Candido consents to the inclusion in this report of the results of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to Mining is based on, and fairly represents, information compiled or reviewed by Priscila Artioli, a *Competent Person*. Priscila Artioli is a full-time employee at SLR Consulting. Priscila Artioli has sufficient experience relevant to the type of deposit under consideration and to the mining activities being undertaken to qualify as a Competent Person as defined by the JORC Code (2012). Priscila Artioli consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to Metallurgy, Processing and Infrastructure is based on, and fairly represents, information compiled or reviewed by Felipe Pimental, a *Competent Person*. Felipe Pimental is a full-time employee at SLR Consulting. Felipe Pimental has sufficient experience relevant to the type of deposit under consideration and to the mining activities being undertaken to qualify as a Competent Person as defined by the JORC Code (2012). Felipe Pimental consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to Capital and Operating Costs is based on, and fairly represents, information compiled or reviewed by Rob Duinker, a *Competent Person*. Rob Duinker is a full-time employee at SLR Consulting. Rob Duinker has sufficient experience relevant to the type of deposit under consideration and to the mining activities being undertaken to qualify as a Competent Person as defined by the JORC Code (2012). Rob Duinker consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

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Amargosa Bauxite-Gallium Project

Scoping Study Summary

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AMARGOSA BAUXITE-GALLIUM PROJECT – SCOPING STUDY SUMMARY

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DISCLAIMER

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USE OF THIS INFORMATION

This document summarises the scope of works SLR was engaged to undertake as an independent consultant appointed by BRE to support the activities associated with studying the Amargosa Project. SLR grants permission to BRE to use this information if it reflects the findings and understanding presented in this report. Any third-party use of this document requires prior approval by SLR. SLR has relied on other experts for portions of the study, as outlined in Section 2.

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1 Executive Summary

1.1 Exploration and Mineral Resource Estimate

Exploration across the Amargosa Project has delineated a large, laterally continuous bauxite system with thick, high-grade zones suitable for direct shipping. Mineralisation is lateritic, flat-lying and continuous across broad areas, providing a strong basis for large-scale, low-strip-ratio mining operations.

Extensive exploration programs by Rio Tinto between 2006-2016 included auger and aircore drilling, trenching, geophysics, regolith mapping and metallurgical sampling. The geological dataset comprises 5,745 drillholes totalling 74,026 m and more than 146,000 samples, drilled on a 100 × 100 m grid with infill to 25 × 25 m. All drilling was vertical, enabling clear definition of the flat-lying orebody. Assays were performed at SGS, Intertek and ALS, with BRE confirming gallium grades via selective ICP-MS re-analysis. Data quality was validated through standard QAQC procedures and independent review by SLR.

Geological and resource models were prepared in Leapfrog® Edge, with 0.5 m composites estimated by Ordinary Kriging into 20 × 20 × 1 m blocks. Dry bulk densities of 1.56 t/m³ (DSB) and 1.50 t/m³ (beneficiable bauxite) were based on more than 22,000 measurements. Two key domains were defined for mine planning and reporting:

- Direct Ship Bauxite (DSB): ≥35% Total Available Alumina (TAA) and ≥40% Al_2O_3
- Beneficiable Bauxite (BB): <35% TAA and <40% Al_2O_3, amenable to low-cost upgrading

SLR completed the Mineral Resource Estimate in accordance with the JORC Code (2012), applying Reasonable Prospects for Eventual Economic Extraction (RPEEE). The resulting MRE demonstrates a significant bauxite endowment characterised by thick, high-grade DSB zones underlain and flanked by beneficiable material, supporting a range of development configurations and long-term scalability. The resource remains open across several directions, with clear opportunities for further growth through step-out drilling and continued refinement of geological controls.

Figure 1: JORC-Compliant Mineral Resource Estimate

Resource Category	In-Situ					Processed 20+ Mesh Bauxite Product			
	Tonnes	TAA	RSI	Ga	Ga	Yield	Tonnes	TAA	RSI
	(mt)	(%)	(%)	(ppm)	(kt)	(%)	(mt)	(%)	(%)
Direct Ship Bauxite									
Indicated	87.7	41.9%	2.5%	51.3	4.50	-	-	-	-
Inferred	10.2	41.9%	2.7%	53.7	0.55	-	-	-	-
Total Direct (I+I)	**97.9**	**41.9%**	**2.5%**	**51.6**	**5.05**	**-**	**-**	**-**	**-**
Beneficiable Bauxite									
Indicated	249.6	28.2%	6.2%	47.2	11.78	41.5%	103.6	41.3%	2.8%
Inferred	220.4	26.4%	6.2%	46.6	10.28	39.9%	87.9	40.2%	2.5%
Total Beneficiable (I+I)	**469.9**	**27.3%**	**6.2%**	**46.9**	**22.05**	**40.7%**	**191.4**	**40.8%**	**2.7%**
Direct + Beneficiable									
Indicated	337.2	31.7%	5.3%	48.3	16.27	41.5%	103.6	41.3%	2.8%
Inferred	230.6	27.1%	6.1%	46.9	10.82	39.9%	87.9	40.2%	2.5%
Total MRE (I+I)	**567.8**	**29.8%**	**5.6%**	**47.7**	**27.10**	**40.7%**	**191.4**	**40.8%**	**2.7%**

Notes: (1) Mineral resources are reported in situ on a dry tonnage basis and are current as of October 3, 2025; (2) Bauxite is divided into two estimation domains based on geochemistry: Beneficiable (TAA<35%, tAl_2O_3<40%) and Direct ship (TAA≥35%, tAl_2O_3 ≥40%); (3) Mineral Resources are constrained within a shell applying RPEEE assumptions including Al price (CIF China), ocean freight and mining costs; (4) Totals may not sum due to rounding.

1.2 Mining Methods

Amargosa is planned as a conventional open-pit mining operation, enabled by the shallow, laterally continuous and flat-lying geometry of the bauxite profile.

Amargosa's bauxite will be mined using conventional truck-and-shovel operations, transported to dispatch terminals, which function as stockpiling and grade-control points prior to transport to port. Overburden and waste removed during pit development will be placed in stockpile locations and then used to progressively rehabilitate mined areas. Rehabilitation will restore soil conditions, enabling future land use, and facilitating the resale of the land.

Mine optimisation was completed in Whittle using a 20 × 20 × 3 m selective mining unit, 2% dilution, 98% mining recovery and a planned DSB production rate of 5 Mtpa. The optimisation shells support staged development and flexible pit sequencing across the mining districts.

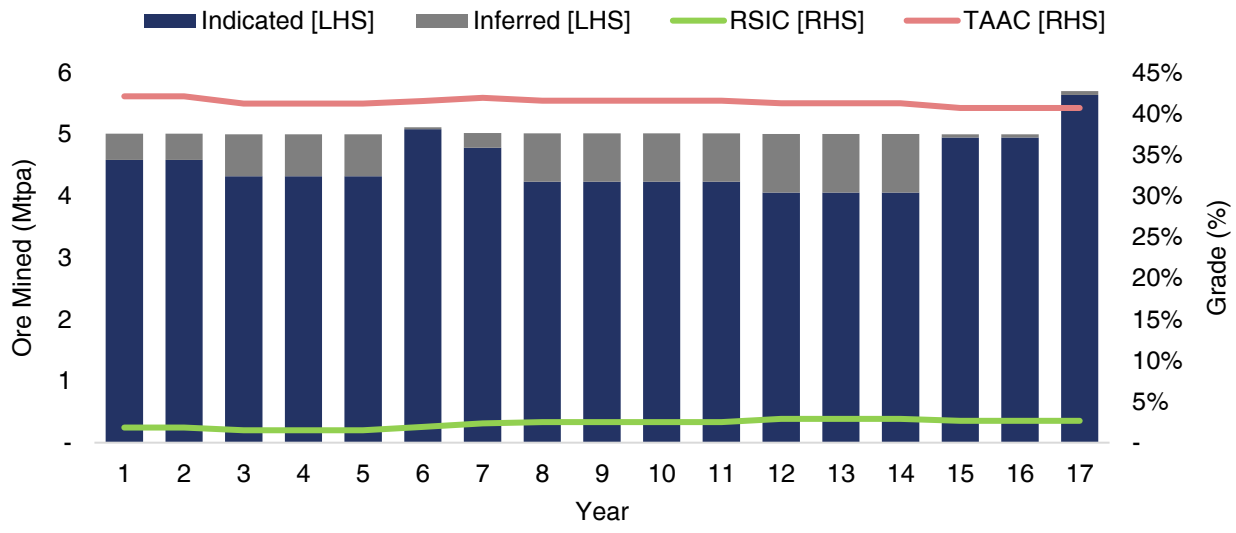
Amargosa's DSB is extracted from large-scale and geologically consistent mining domains, supporting predictable product specifications over the mine life. Scheduled grades are forecast to remain within tight ranges enabling efficient mining and relatively simple stockpile management.

Pit optimisations produced an annual mine schedule resulting in a total Production Target of 86 Mt @ 41.4% TAA and 2.3% RSI over a 17-year mine life, with 89% of total ROM material sourced from Indicated Mineral Resources.

Figure 2: Production Target Summary – Total Indicated & Inferred

	Total Tonnes	Indicated Tonnes	Inferred Tonnes	% Indicated
Units	*(Mt)*	*(Mt)*	*(Mt)*	*(%)*
Life of Mine	86	77	9	89%

Figure 3: Production Target



1.3 Recovery Methods

The Amargosa Project is designed as a direct ship bauxite operation, producing high-grade gibbsitic bauxite that meets market specifications without the need for crushing, screening or washing. The recovery strategy is built around dry handling of high-quality DSB product, supported by two loading terminals that provide

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stockpiling capacity for drainage, moisture reduction and blending prior to dispatch. The inherent geological continuity of Amargosa's large-scale DSB domains is expected to support predictable product quality and simple stockpile management.

Metallurgical test work confirms that the DSB material consistently achieves total available alumina ≥40% and reactive silica ≤3%, enabling a simplified flowsheet comprising mining, haulage, stockpiling and direct shipment to port. In-situ moisture levels typically range from 14–20% and are reduced further through natural drainage in stockpiles at the district loading terminals and port stockyards.

Recovery of saleable DSB product is high given the minimal processing stages, with the streamlined flowsheet reducing both capital intensity and operational complexity. A DSB-only strategy also provides scope to progressively refine grade control and mine scheduling to further enhance product consistency as operations advance.

1.4 Export Logistics

Amargosa's 5 Mtpa DSB operation is underpinned by a dedicated road-haulage corridor from the North District to the Port of Enseada, located approximately 160 km to the northeast. The North District connects to Brazil's BR-101 highway via ~20 km of roads, providing rapid access to a paved, multi-lane interstate route that supports reliable, year-round bulk haulage. DSB product will be transported along BR-101 and BR-420 to Enseada using high-efficiency 9-axle road trains.

Trucking feasibility studies were based on a detailed assessment of haulage conditions in Bahia. A comprehensive cost model was developed covering payload, cycle times, gradients, fuel consumption, tyre wear, maintenance, labour, depreciation and insurance, calibrated against current market inputs and benchmarks from comparable bulk-haul operations. Both diesel and compressed natural gas (CNG) truck configurations were evaluated, with CNG selected as the preferred option for performance, cost efficiency and established availability in the region.

The Port of Enseada is a bulk logistics complex that has benefitted from more than US$1 billion in historical investment. BRE has executed a Memorandum of Understanding with the port operator covering road haulage interface, stockyard handling, port services and offshore transshipment into Capesize vessels. DSB material will be trucked to the port, stockpiled and then conveyed to barges for transfer to floating storage and transfer units located approximately 12 nautical miles offshore. These sheltered-water operations provide high availability and support safe, efficient, year-round export capability for Amargosa's DSB product.

1.5 Capital Cost Estimate

The capital cost estimate for Amargosa has been developed using a combination of vendor quotations and benchmark data from recent comparable bauxite and bulk-commodity projects. All costs are presented in Q4 2025 US dollars, exclusive of escalation, and reflect an intended accuracy of ±35%, consistent with an AACE Class 5, scoping-level estimate.

Brazilian pricing has been applied wherever available, converted at an exchange rate of 5.7 BRL/US$. The estimate includes sustaining capital allowances for scheduled fleet replacement and other life-of-asset requirements, and a contingency of 35% has been applied to reflect the current level of engineering definition and project maturity.

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Figure 4: Capex		
Capex to First Production	Units	
Mining Fleet	US$ m	$21 m
North - Land, Access, Strip, Mobilisation	US$ m	$16 m
North - Truck Loading/Maintenance Stations	US$ m	$23 m
North - Trucking Fleet	US$ m	$28 m
Contingency (35%)	US$ m	$31 m
Total Capex to First Production	**US$ m**	**$119 m**
Deferred Capex		
Central - Land, Access, Strip, Mobilisation	US$ m	$15 m
Central - Truck Loading/Maintenance Stations	US$ m	$22 m
Central - Additional Trucking Fleet	US$ m	$10 m
Contingency (35%)	US$ m	$16 m
Total Deferred Capex	**US$ m**	**$63 m**

1.6 Operating Cost Estimate

Operating cost estimates were prepared using a combination of first-principles inputs, supplier quotations, and benchmarks from established bauxite producers in Brazil. Costs are presented in Q4 2025 US dollars, exclusive of escalation. The intended accuracy is ± 35%, consistent with an AACE Class 5 scoping-level estimate. The same exchange rate of 5.7 BRL per USD has been applied.

Figure 5: Operating Costs		
Mine Site - Mine & Haul	US$/dmt	$3.17
Mine Site - G&A + Other	US$/dmt	$0.93
Logistics - Load & Truck to Port	US$/dmt	$7.74
Logistics - Port Costs	US$/dmt	$12.18
Logistics - Ocean Freight	US$/dmt	$24.71
Total	**US$/dmt**	**$48.73**

1.7 Economic Analysis

A discounted cash flow model has been developed to evaluate the economic potential of the Amargosa Project. The analysis is presented in real Q4 2025 US dollars and incorporates the capital, operating, and pricing assumptions outlined in the Scoping Study. All results are shown on an unlevered basis and discounted in real terms at 8%. BRL-denominated capital and operating costs are converted at a USD/BRL rate of 5.7, a steady-state planning assumption supported by long-run historical averages and independent forecasts from major Brazilian and international banks.

The analysis incorporates Brazil's CFEM Royalty of 3% of Brazil FOB Equivalent revenue, a $1 per wet metric tonne of product royalty payable to Rio Tinto, and the SUDENE incentive, which provides an income tax reduction of 75% for approved industrial and mining projects located in Brazil's Northeast region. For Amargosa,

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SUDENE represents a significant fiscal advantage, supporting Amargosa's competitiveness on a global cost basis while reinforcing the Brazilian government's commitment to stimulate investment and job creation across Brazil's Northeast region.

Figure 6: Amargosa Economics

Bauxite Price	US$/dmt	Spot $71/t	CM $65/t	CM $80/t
Annual EBITDA (First 5 Years)	US$ m	$117 m	$88 m	$161 m
After-Tax NPV8%	US$ m	**$630 m**	**$403 m**	**$970 m**
After-Tax IRR	%	82%	59%	114%
NPV/Capex Ratio	x	5.3x	3.4x	8.1x
FCF Margin	%	23%	18%	30%
Payback	yrs	1.2	1.5	0.9

1.8 Southern Logistics Option – FIOL Rail Pathway

Beyond the 5 Mtpa DSB Northern Logistics base case (road haulage to Enseada), the Scoping Study also assessed a Southern Logistics – FIOL Rail Option that previous Rio Tinto feasibility studies focussed on. This conceptual development pathway relies on the completion of Brazil's FIOL railway and the future development of Porto Sul to increase bauxite exports to ~15 Mtpa.

The purpose of this scenario assessment was to model potential economic returns from a larger capital, higher production development plan that utilises Amargosa's beneficiable bauxite resources once the FIOL rail and Porto Sul becomes operational.

The Southern Logistics Option considers the construction of a rail load-out facility at the Central District, and a ~40 km rail spur that connects to the FIOL Corridor. The FIOL Railway passes approximately 40 km southwest of Amargosa's Central District, providing a direct rail route of roughly 150 km to Porto Sul. The FIOL corridor is currently 70% complete, with the segment linking Amargosa to Porto Sul largely constructed.

The conceptual scenario assumes that FIOL Rail becomes operational in 2032, at which point Central District DSB will be transported via FIOL to Porto Sul at a rate of 10 Mtpa, while the North District will continue to export 5 Mtpa via the Port of Enseada.

Porto Sul is a potential deep-water terminal designed to accommodate Capesize bulk carriers, featuring a 3.5 km access bridge and 1.5 km breakwater, enabling annual export capacity of approximately 40 Mtpa. Onshore preparation and early works have commenced, and the project may advance to full construction following finalisation of the sub-concession and implementation plan.

As DSB resources are depleted in both the North and Central Districts, it's assumed that beneficiation/washing plants are constructed in each district to process Amargosa's beneficiable bauxite resource. It's assumed that North District beneficiable bauxite is trucked to the Port of Enseada at a rate of 5 Mtpa, while Central District beneficiable bauxite is transported by rail to Porto Sul for export at a rate of 10 Mtpa.

While the Southern Logistics – FIOL Rail Option offers attractive long-term scale and economic returns at higher bauxite prices, the 5 Mtpa DSB base case is a superior, lower-risk pathway to near-term development. The DSB development plan reduces execution risk, and the capital required for a rail spur, supporting infrastructure and bauxite washing/beneficiation plants.

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Figure 7: Southern Logistics Option Economics				
Bauxite Price	US$/dmt	Spot $71/t	CM $65/t	CM $80/t
After-Tax NPV8%	US$ m	$789 m	$191 m	$1,656 m
After-Tax IRR	%	58%	26%	92%

1.9 Interpretation and Conclusions

The Competent Persons are confident in the technical assessments presented in this Scoping Study and consider the underlying assumptions to be appropriate for this level of analysis. The work completed to date provides a sound basis for advancing Amargosa to the next stage of technical and economic evaluation.

The Competent Persons also note that the outcomes of this Scoping Study remain subject to a range of risks and uncertainties, including, but not limited to, commodity price volatility, potential capital and operating cost escalation, geological variability, permitting and approval timelines, reliance on third-party infrastructure, and broader market conditions.

The Scoping Study highlights the key strengths of the Amargosa Bauxite–Gallium Project, including:

- High-quality DSB product that meets market specifications without crushing, screening or washing
- A large-scale resource base that supports long-term production and potential expansion scenarios
- Low-cost mining methods, low strip ratios supporting efficient and scalable operations
- Predictable product quality underpinned by large-scale and consistent mining domains
- Capital-efficient DSB development strategy that utilises existing road and port infrastructure
- Multiple pathways to higher production volumes via logistics optimisation and potential rail integration
- Strong project economics, with an after-tax NPV_8% of US$630 million and a 1.2-year payback period at a US$71/t bauxite spot price assumption

1.10 Recommendations

The Scoping Study demonstrates that Amargosa has the potential to become a large-scale, long-life Brazilian bauxite operation producing high-quality direct ship bauxite, and sets out clear next steps to advance the Project towards the next stage of feasibility studies. Key recommended work programs include:

Resource growth: Targeted geological programs to increase resource confidence and support conversion to higher classification categories through infill drilling, density measurements and continued model refinement.

Permitting: Additional environmental and social baseline studies, secure long-term land access, including biodiversity, hydrology, groundwater and land-use datasets.

Mining: Enhance mine design, production planning and cost accuracy, and to progress engineering to a higher level of feasibility study.

Geotechnical and hydrogeological studies: Advance detailed geotechnical and hydrogeological investigations, water behaviour and pit stability, supporting robust mine layouts and infrastructure planning.

Grade control and domain management: Refine grade control practices and domain management to maintain and support reliable scheduling as mining advances.

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Product upgrading and beneficiation: Evaluation of upgrading and beneficiation options to assess potential uplift in product specifications, recoveries and long-term production optionality.

Logistics and infrastructure: Engineering and commercial studies for road, port and trans-shipment infrastructure to refine capital and operating cost estimates and assess capacity for future expansion scenarios.

Sustainability, rehabilitation and closure: Advance sustainability, rehabilitation and closure planning to ensure responsible long-term land use through progressive backfilling, revegetation and post-mining land-use strategies.

Stakeholder and community engagement: Ongoing stakeholder engagement and community programs to reinforce social licence, support land access and permitting processes, and enhance operational readiness.

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2 Introduction

BRE's Amargosa Bauxite-Gallium Project is located in Bahia, Brazil, a leading mining jurisdiction supported by a mature regulatory framework, expedited permitting, and strong government support for mineral development. Amargosa spans 748 km² and leverages over a decade of exploration by Rio Tinto, including 74,026 metres of drilling across 5,745 holes. The Scoping Study has confirmed Amargosa as a technically robust and capital-efficient development, supported by a shallow, efficient mining conditions, and well-established logistics corridors.

SLR was retained by Brazilian Rare Earths (BRE) to prepare a Mineral Resource Estimation and a Scoping Study Report on the Amargosa Project (the Study). The Study presents the results of geological exploration, resource modelling, and mineralisation assessment for the Amargosa Bauxite Project. The Study has been prepared in accordance with the guidelines of the JORC Code (2012 Edition) and provides a comprehensive summary of the project's geological setting, Mineral Resource, and Scoping Study results.

2.1 Information Sources & Reliance on Other Experts

This Scoping Study combines information and assumptions provided by a range of independent and reputable consultants, including the following consultants who have contributed to key components of the Study.

Figure 8: Scoping Study Consultants & Inputs

Scope of Work	Consultant / Basis of Estimate
Mineral Resource Estimate, Mine Design	SLR Consulting
Logistics Design	LID
Capex & Opex	MIPTEC
Bauxite Market Studies & Price Forecasts	CM Group
Southern Logistics Option – Mine Design, Capex & Opex	Mining Proficiency Group
Southern Logistics Option – Logistics Design, Capex & Opex	JM Souto
Southern Logistics Option – Process Design, Capex & Opex	Tetra Tech

2.2 Personal Inspections

A site visit to the Amargosa Project was completed by SLR between 11 and 13 August 2025. The inspection included review of outcrops, drill platforms, core sheds, sample storage facilities and BRE's core handling procedures, as well as verification of drill collar locations against the digital terrain model. SLR examined representative core and pulp rejects, observed geological logging and sampling workflows, and held discussions with BRE's technical team regarding data collection and interpretation. Based on these inspections, SLR considers the site practices, data acquisition and sample management procedures to be consistent with industry standards and appropriate to support the Mineral Resource estimate reported in this Scoping Study.

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2.3 Abbreviations, Acronyms and Units of Measure

Figure 9: Abbreviations, Acronyms and Units of Measure

AACE	Association for the Advancement of Cost Engineering
Al_2O_3	Alumina
ANM*	Brazil's National Mining Agency*
BB	Beneficiable Bauxite
BRL	Brazilian Real
CAPEX	Capital Expenditure
CFEM*	Financial Compensation for the Exploration/Exploitation of Mineral Resources*
CIF	Cost, Insurance and Freight
CNG	Compressed Natural Gas
dmt	Dry Metric Tonne
DSB	Direct Ship Bauxite
EBITDA	Earnings Before Interest, Tax and Depreciation
EIA	Environmental Impact Assessment
FCF	Free Cash Flow
Ga	Gallium
IMSBC	International Maritime Solid Bulk Cargoes Code
INEMA*	Institute of the Environment and Water Resources*
IRR	Internal Rate of Return
kt	Kilotonnes
LI	Licença de Instalação (Installation Licence)
LNG	Liquefied Natural Gas
LO	Licença de Operação (Operation Licence)
LOM	Life of Mine
LP	Licença Prévia (Preliminary Licence)
m	Metre
ppm	Parts per Million
MRE	Mineral Resource Estimate
Mt	Million Tonnes
MW	Megawatt
NPV	Net Present Value
OPEX	Operating Expenditure
PFS	Pre-Feasibility Study
QAQC	Quality Assurance / Quality Control
ROM	Run-of-Mine
RPEEE	Reasonable Prospects for Eventual Economic Extraction
RSI	Reactive Silica
t/m^3	Tonnes per Cubic Metre
TAA	Total Available Alumina
TML	Transportable Moisture Limit
US$ / USD	United States Dollars

* Reflects Portuguese acronym and English translation.

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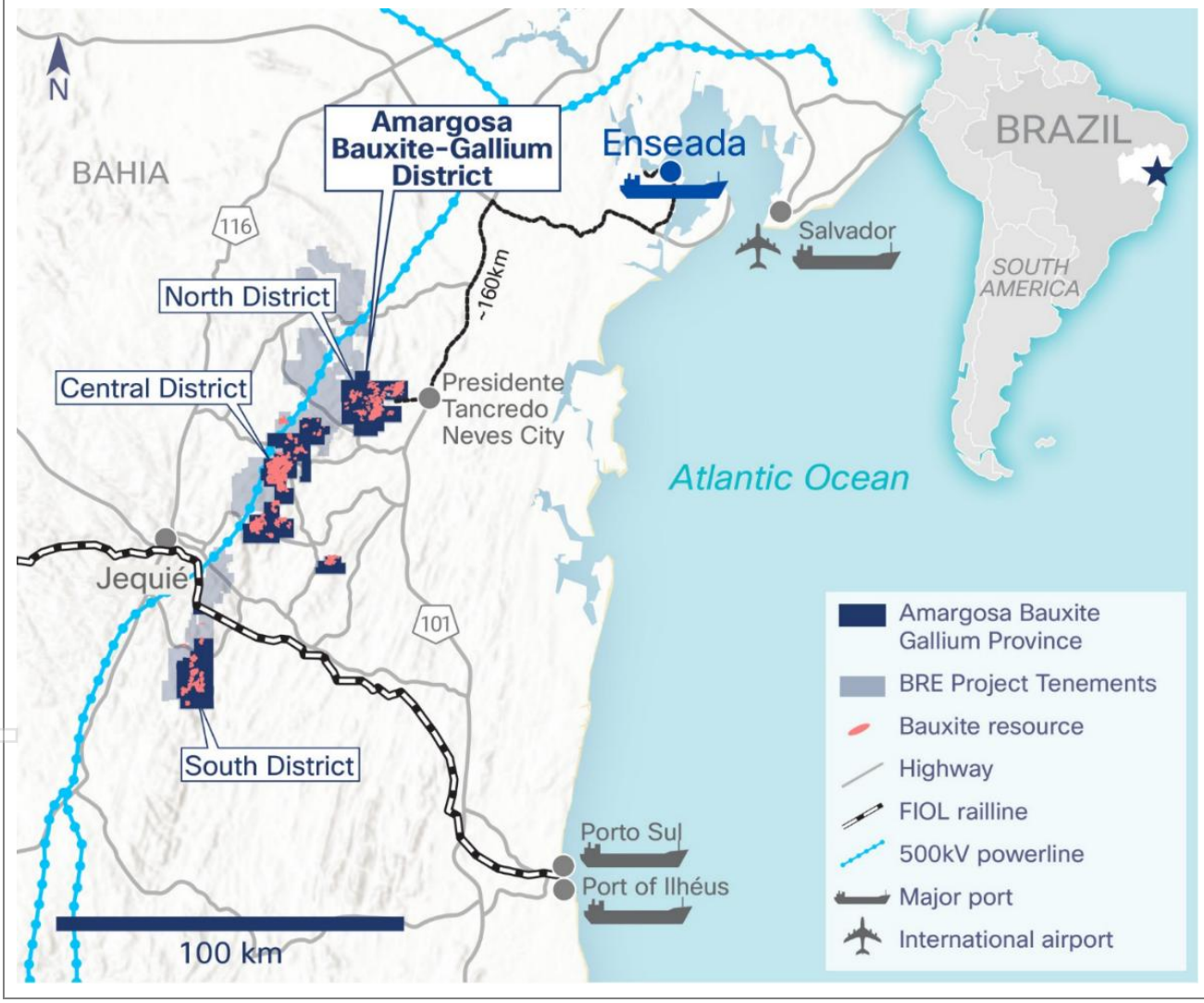
3 Property Description

3.1 Location

The Amargosa Bauxite-Gallium Project is located in Bahia State, northeastern Brazil, approximately 240 km west of Salvador, the state capital. The Project lies within a well-established mining and industrial corridor that hosts multiple large-scale commercial operations, including the Largo Vanádio de Maracás vanadium mine (80 km northeast), Equinox Gold's Santa Luz operation (140 km northwest), and Atlantic Nickel's Santa Rita nickel mine (160 km southeast).

Amargosa benefits from year-round access via regional highways, proximity to major industrial centres, and strong logistical connectivity to coastal export infrastructure, positioning the Project within one of Brazil's most active and well-supported mining jurisdictions.

Figure 10: Amargosa Project Location



3.2 Titles, Claims or Leases

The Project covers an area of approximately 748 km², comprising multiple contiguous exploration tenements held 100% by BRE through its wholly owned Brazilian subsidiary, Borborema Recursos Mineração Ltda.

3.3 Mineral Rights

All exploration tenements are in good standing with the Agência Nacional de Mineração (ANM), Brazil's National Mining Agency and provide BRE with full exploration rights across the Project area. Applications for mining concessions will be submitted progressively as feasibility work advances. Environmental and social baseline studies are currently underway to support the future environmental licensing process.

3.4 Royalties & Encumbrances

The Amargosa Project is subject to standard Brazilian mining royalties, including CFEM (Financial Compensation for the Exploration/Exploitation of Mineral Resources), and a contractual royalty of US$1 per wet metric tonne produced payable to Rio Tinto. Aside from these statutory and contractual royalties, no other title encumbrances, liens, competing rights, or restrictions over the tenements are known, and all licences remain in good standing.

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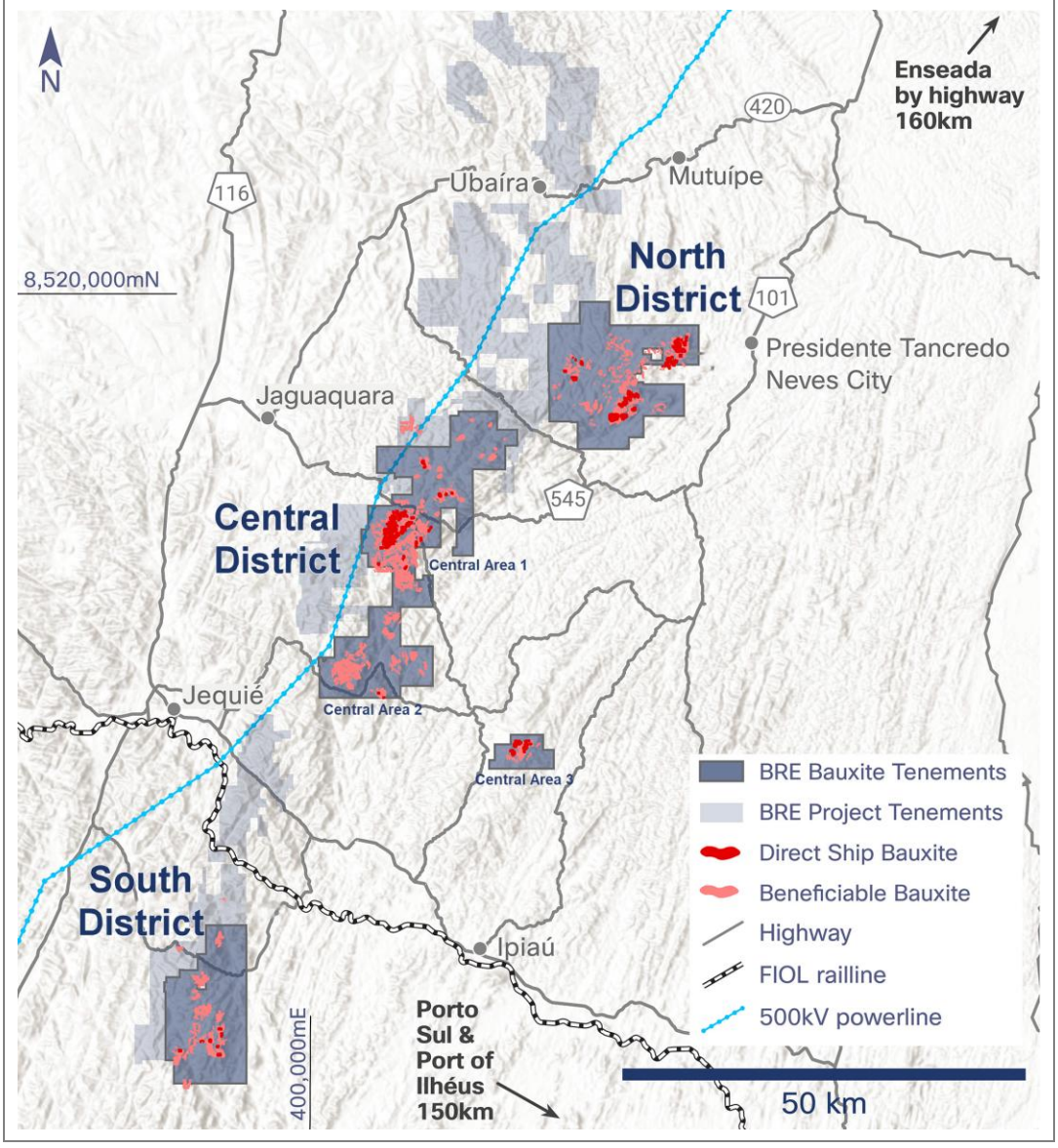
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4 Accessibility, Climate, Local Resources and Infrastructure

4.1 Access

The Amargosa Project is located in northeastern Brazil within the state of Bahia, near the municipality of Jaguaquara. The Project is accessed via paved regional highways and a network of well-established unpaved roads that link the principal target areas. Proximity to Jaguaquara provides convenient access to accommodation, supplies, and light industrial services, supporting efficient mobilization of personnel and equipment. Field operations have been conducted year-round without significant seasonal limitations, and locally established project bases have historically provided reliable logistical support.

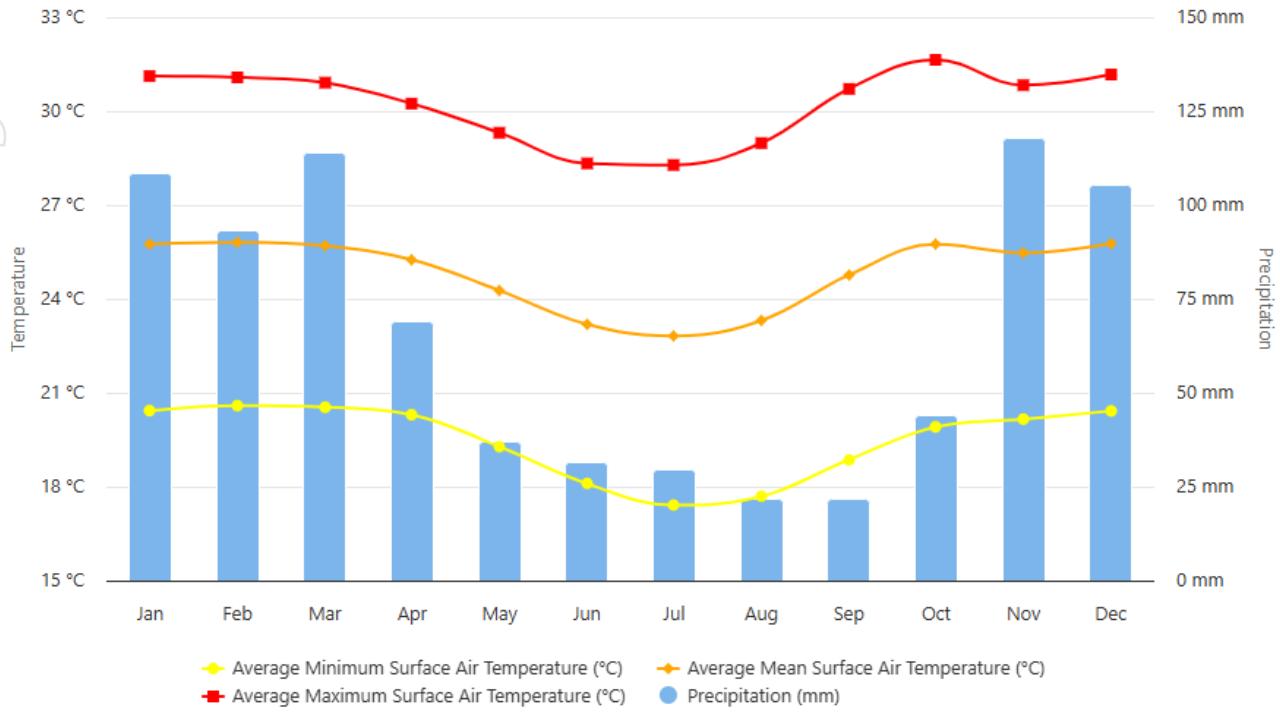
Figure 11: Amargosa Project Location



4.2 Climate

The climate in the region is classified as tropical semi-arid to sub-humid, with distinct wet and dry seasons. Rainfall is typically concentrated between November and March, while the remainder of the year is relatively dry. These conditions are favourable for exploration activities, with minimal disruption due to weather.

Figure 12: Annual Precipitation Average



4.3 Local Resources and Infrastructure

The Project benefits from access to skilled labour, services, and support infrastructure in nearby towns including Jaguaquara, Milagres, and Vitória da Conquista. Skilled personnel for geological mapping, drilling, sampling, and field support have been sourced locally and through established collaborations with academic institutions such as the Federal University of Bahia (UFBA). Regional laboratories have supported metallurgical test work, and the availability of experienced drill contractors and prospector teams has enabled efficient execution of exploration programs.

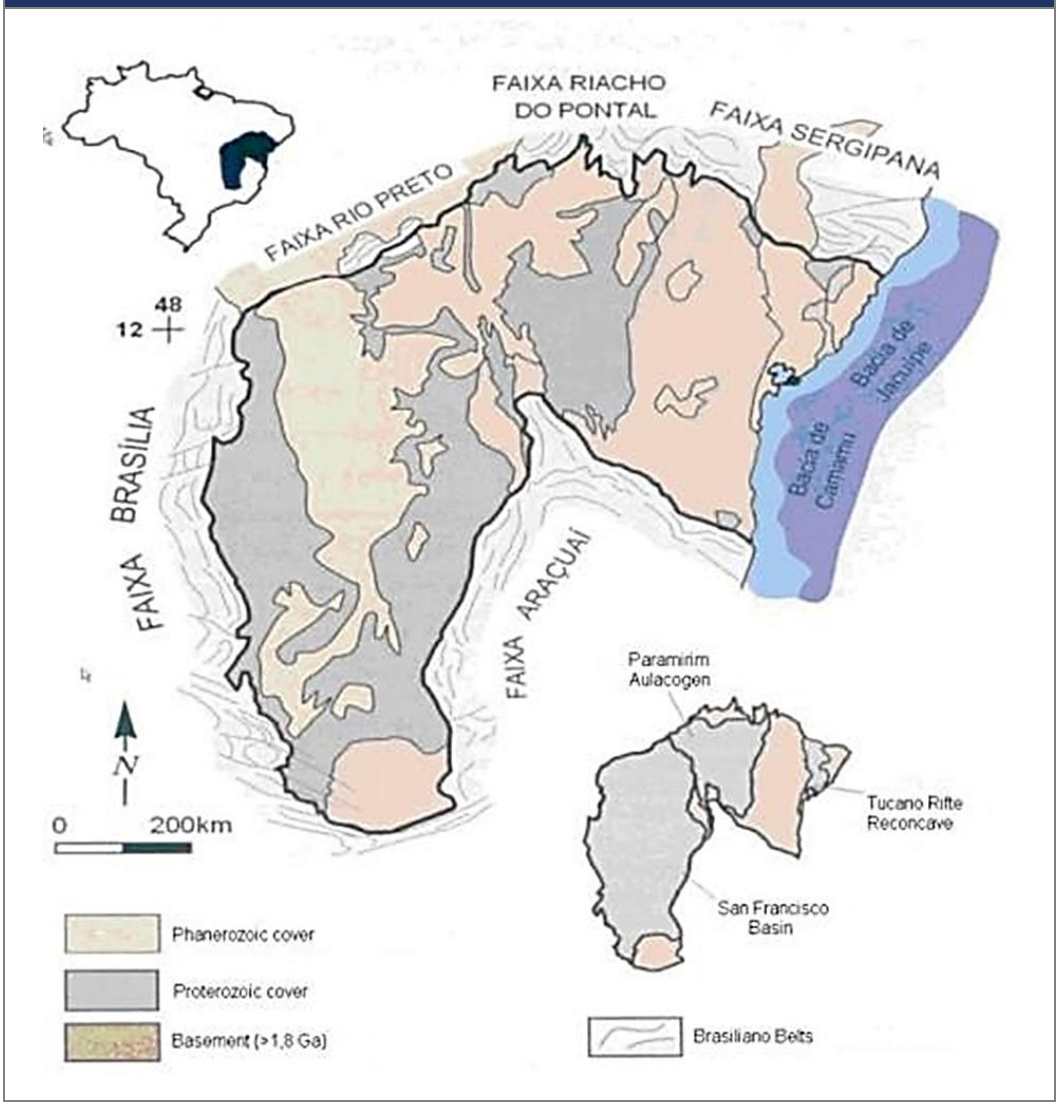
The broader region is serviced by paved federal highways, secondary municipal roads, and established utility networks, providing reliable year-round access to project areas. In addition, the Project is located in proximity to large-scale infrastructure initiatives - including the FIOL Railway and the planned Porto Sul deep-water port - which, once operational, are expected to enhance the long-term logistics optionality and bulk commodity transport capacity in the region.

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5 Geological Setting, Mineralisation and Deposit

The Amargosa Bauxite Project is located on the eastern margin of the São Francisco Craton, where deeply weathered Archean basement rocks of the Jequié Block have produced an extensive lateritic bauxite province. Thick, in-situ bauxite profiles formed on stable erosional surfaces during major Tertiary weathering cycles, resulting in laterally continuous blankets of high-quality gibbsite-rich material preserved on plateaus, ridges and gently rolling terrain.

Figure 13: Schematic Geotectonic Sketch of the São Francisco Craton



Bauxite mineralisation typically comprises a ferruginous cap overlying high-grade direct ship bauxite and beneficiable, underlain by internal clay and saprolite. Mineralised domains are defined using lithological boundaries, geochemical thresholds and +20-mesh yield behaviour, distinguishing two principal material types:

- Direct Ship Bauxite: ≥35% TAA and ≥40% Al_2O_3
- Beneficiable Bauxite: <35% TAA and <40% Al_2O_3, upgradeable via simple screening

Bauxite Profiles are generally 10-30 m thick, laterally extensive and flat-lying, with tight grade distribution influenced by protolith composition and geomorphic preservation.

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Mineralogically, the deposit is dominated by gibbsite with minor boehmite (<1%), hematite, goethite and kaolinite, consistent with low-temperature Bayer refining requirements. Variographic and structural analyses confirm strong grade continuity within domains and across the broader district, providing high confidence in the Mineral Resource framework. The geological setting, simple geometry and predictable regolith architecture support cost-effective open-pit mining and underscore Amargosa's potential as a scalable, long-life DSB and beneficiable bauxite operation.

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6 Exploration

6.1 Exploration History

Exploration for bauxite in the Amargosa District, Bahia State, Brazil, began in the early 2000s as part of Rio Tinto's Brazilian Bauxite Exploration Programme. Following a nationwide terrain review completed in 2000 and subsequent discoveries in the Amazon Basin (2001-2005), Rio Tinto initiated regional reconnaissance in 2006 and advanced systematic mapping and auger drilling across an extensive 200 km by 20 km corridor. This work identified the Amargosa Belt as an emerging bauxite province, with the first significant mineralised intersections recorded in the Jaguaquara area.

Between 2008 and 2009, reconnaissance auger and aircore drilling confirmed both the thickness and quality of the bauxite horizons, prompting Rio Tinto to initiate an Order of Magnitude Study in 2010. Completed in 2011, this study outlined a substantial exploration target and highlighted areas of particularly high-quality mineralisation. A revised block model in 2012 further refined the geological interpretation, improving resolution of internal waste zones and high-grade domains

Exploration programs expanded further between 2010 and 2015 to include aircore drilling, trenching, metallurgical sampling, and geophysical surveys – most notably ground-penetrating radar – which assisted in defining the geometry of the bauxite horizon. Academic partnerships with the Federal University of Bahia (UFBA) supported this work through detailed 1:10,000-scale geological mapping and geochronological studies of the Jequié Complex basement, improving understanding of the regional controls on bauxite development.

Final Exploration Reports were submitted to ANM between 2014 and 2016 on a tenement-by-tenement basis. These reports incorporated updated 2017 block models built predominantly from head-grade assays, which represented 96% of samples within the mineralised envelope and resulted in improved geological confidence and refined mineralised boundaries.

The combined work completed by Rio Tinto across this period included 5,745 drillholes for 74,026 m of drilling and more than 146,000 samples, with drill spacing typically at 100 × 100 m and locally tightened to 25 × 25 m. All drillholes were vertical, providing well-defined delineation of the generally sub-horizontal bauxite profile. Sampling and QAQC procedures followed international standards, with analytical work conducted by SGS, Intertek and ALS laboratories for major oxides, TAA and RSI. BRE subsequently re-assayed selected samples using ICP-MS, confirming acceptable accuracy and precision for gallium distribution studies.

Collectively, more than a decade of systematic exploration – encompassing regional mapping, auger and aircore drilling, trenching, geophysics, metallurgical testwork and academic collaboration – has established Amargosa as a significant bauxite province within the São Francisco Craton. This extensive historical database provides a robust technical foundation for the current Mineral Resource estimates and ongoing development studies.

6.2 Geological Mapping

Systematic geological and regolith mapping has been completed across the Amargosa Project to support target delineation, lithological interpretation, and resource definition. Mapping was conducted at multiple scales – from 1:250,000 regional reconnaissance to detailed 1:50,000 regolith mapping over priority zones – allowing consistent characterisation of basement lithologies, geomorphological surfaces, and the distribution of lateritic bauxite.

The regolith profile was classified into five principal units (bauxite, bauxitic soil, ferruginous laterite, soil, and sand), along with mapped basement exposures. This framework was applied throughout surface mapping, trenching, and drilling, confirming that lateritisation is pervasive across all protoliths and largely controlled by geomorphology rather than lithological variations.

Mapping also identified key erosional surfaces – Including the well-preserved Velhas Surface – that host the thickest and most continuous bauxite profiles. These geological and geomorphological relationships were

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essential for validating drill targets, constraining the three-dimensional interpretation of the bauxite horizons, and guiding refinement of block models used in subsequent resource estimation.

6.3 Drilling

Drilling at the Amargosa Project was undertaken in several phases between 2006 and 2015, employing auger and aircore methods to delineate the lateritic bauxite profile across all target zones. Early-phase drilling focused on broad-spaced reconnaissance, while subsequent campaigns progressively tightened drill spacing to support geological modelling and Mineral Resource estimation. Methodologies were selected based on terrain conditions, desired sample quality, and the need to accurately characterise the sub-horizontal bauxite horizon.

All drilling, sampling, and logging procedures implemented by Rio Tinto followed industry standards. Samples were collected from auger and aircore holes, split for chemical analysis, and stored using established QA protocols. The drilling database comprises 5,745 holes for a total of 74,026 m, providing extensive coverage of the mineralised envelope and forming the basis for the current geological interpretation and resource modelling.

Figure 14: Amargosa Drilling Summary

Project Area	Drill Type	Number Holes	Metres Drilled
North District	Auger	846	9,529
	AirCore	176	3,166
	Sonic	-	-
Central District	Auger	3,814	45,983
	AirCore	701	12,998
	Sonic	21	631
South District	Auger	151	1,311
	AirCore	36	408
	Sonic	-	-
Total	Auger	4,811	56,823
	AirCore	913	16,573
	Sonic	21	631
Project Total	**-**	**5,745**	**74,026**

6.3.1 Auger Drilling

Auger drilling was used during the early reconnaissance phase (2006-2010) for rapid, low-impact coverage of remote areas. Drilling employed hand-portable rigs with 6-inch (152 mm) diameter bits, advancing in 0.5 m intervals to depths of up to 20 m or until refusal. Sample integrity was highest within the upper 5-10 m of the profile. Auger drilling required minimal site preparation, enabling efficient testing of forested or inaccessible terrain and was operated by trained local teams. The method proved effective for identifying mineralised zones and guiding subsequent aircore drilling.

6.3.2 Aircore Drilling

Aircore drilling utilised 4-inch (101.6 mm) diameter PVC tubes, enabling high recovery of lateritic profiles and consistent sampling through the water table to depths of up to 50 m. After comparative test programs, aircore was adopted as the preferred technique for resource delineation due to its superior geological control and ability to penetrate to basement lithologies. Brazilian-manufactured rigs (Geosol) delivered reliable recovery and preserved sample granulometry.

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6.3.3 Sonic Drilling

Sonic drilling was evaluated at Amargosa to assess its suitability for sampling unconsolidated lateritic profiles. The method uses high-frequency vibratory energy with rotary motion to recover continuous core, achieving excellent sample integrity and near-complete recovery to depths of >30 m. Core was collected in sealed PVC tubes, preserving moisture, density and granulometry for geotechnical and metallurgical testing. While sonic drilling produced high-quality samples, comparative programs showed that aircore drilling provided similar geological control at significantly lower cost and higher productivity. As a result, sonic drilling was used selectively for test work and methodological comparisons rather than routine resource delineation.

6.4 Logging

Systematic geological logging was completed across the Amargosa Project to ensure consistent documentation of lithology, structure, and mineralisation. All auger, aircore, and sonic drill holes were logged using protocols designed to capture both geological and geotechnical attributes. Key logged characteristics included:

- Lithology and Protoliths: Samples were described for rock type, texture, colour, and mineral content, with emphasis on identifying fertile protoliths linked to high-quality bauxite development.
- Lateritic Profile: The vertical progression of soil, saprolite, clay, and bauxite horizons was logged, noting thicknesses, grade trends, and transitional contacts.
- Structure: Foliation, banding, and deformation features were recorded where visible, particularly in basement material, to support interpretations of mineralisation geometry.
- Sample Integrity: Recovery and sample condition were documented for auger and aircore holes, while sonic drilling provided continuous core in sealed PVC tubes to maintain granulometry and grade.
- Digital Database: All logging data were captured in a standardized digital database to ensure consistency and compatibility with modelling workflows.

Logging procedures were refined through successive campaigns (2008–2017), incorporating lithogeochemical classifications and geostatistical inputs, forming the basis for geological models, block estimates, and resource classification.

6.5 Drilling Sample Recovery

Sample recovery was systematically recorded across all drill campaigns to ensure data quality for geological and geochemical interpretation. Aircore and auger methods provided generally high recovery in massive bauxite zones (85-95%), with more variable results in nodular or saprolitic intervals (60-80%) due to friability and moisture content. Recovery was logged on-site by trained geotechnicians and reviewed during sample preparation. Intervals with poor recovery or contamination were flagged and excluded from interpolation, and duplicate or twin holes were drilled where required. Overall, recovery is considered adequate for the current stage of Mineral Resource development and supports the applied classification.

6.6 Drilling Locational Data

Drill collar positions were surveyed using differential GPS (DGPS), achieving centimetric accuracy and tying all coordinates to the Brazilian GNSS network maintained by the national geodetic authority. Elevations were referenced to a high-resolution Digital Elevation Model (DEM) derived from satellite imagery and validated with ground control points. Collar positions, orientations, and depths were logged following standard operating procedures and routinely checked against topographic models. No material discrepancies were identified in Mineral Resource areas, and minor deviations in forested zones fall within expected tolerances. The locational dataset is considered reliable for geological modelling and Mineral Resource estimation.

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6.7 Drill Hole Spacing and Distribution

Drilling was distributed across all target zones, with spacing reflecting exploration objectives and geological continuity. Reconnaissance grids ranged from 200-400 m, while resource evaluation areas were drilled at 100 × 100 m spacing, with infill to 50 m and locally 25 m in priority domains. All holes were drilled vertically to intersect the sub-horizontal bauxite horizon perpendicular to stratigraphy, ensuring representative sampling of the regolith profile. The drill spacing and distribution are sufficient to establish geological and grade continuity appropriate for Mineral Resource estimation, with samples composited to 0.5 m intervals for modelling purposes.

6.8 Process Verification

During its site visit, SLR inspected sample storage facilities, reviewed historical samples, and held technical discussions with BRE geologists regarding drilling procedures, sampling techniques, and data management workflows. SLR observed that current practices are consistent with industry standards and suitable to support Mineral Resource estimation and classification.

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7 Sample Preparation, Analyses and Security

7.1 Sample Collection and Security

Sampling was undertaken through auger and aircore drilling designed to characterise lateritic bauxite mineralisation across all target zones. Auger drilling supported early-stage reconnaissance, while aircore drilling became the primary method for resource evaluation.

Samples were collected at nominal 0.5 m intervals, adjusted where necessary to avoid mixing lithologies or mineralised boundaries. Intervals captured the entire bauxite profile, with additional sampling into hanging wall and footwall zones to ensure complete geological characterisation.

Auger drilling used 6-inch (152 mm) bits, producing near-surface samples suitable for regolith and lithological logging. Samples were manually collected, bagged, and logged for regolith unit, lithology, and mineralisation. The method was effective in remote areas due to minimal access requirements and low environmental impact.

Aircore drilling utilised 4-inch (101.6 mm) PVC tubes, providing near-complete recovery of the lateritic profile and enabling sampling through the water table into basement lithologies. Samples were preserved in sealed PVC tubes, maintaining granulometry and grade integrity.

Trench samples were collected in selected gabbroic and charnockitic domains to support metallurgical testwork. Samples were logged, bagged, and dispatched to accredited laboratories for geochemical analysis.

Rio Tinto's original field security protocols are not recorded; however, after drilling programs were completed, all pulps and coarse rejects were stored in a dedicated, secure warehouse. BRE later implemented standardised security procedures, including sealed sample bags, polyweave transport sacks, and controlled storage within the Company's secure facility.

Samples submitted for analysis were transferred by local courier under accompanying waybills. Electronic submission forms were sent to laboratories in advance of each shipment, and laboratory managers confirmed sample receipt. No non-compliance or chain-of-custody issues were reported by the laboratories.

7.2 Sample Preparation and Analysis

Sample preparation and analytical work for the Amargosa Project were undertaken by accredited commercial laboratories following standard industry protocols. Preparation procedures included drying samples at 105°C, weighing, primary crushing to <1 inch, homogenisation, and splitting using a rotary divider. One-third of each sample was retained as the head (crude) sample, which forms the basis of the results used in this Report. The remaining two-thirds were wet-washed and wet-screened into +20#, +48#, and +150# size fractions, which were dried and weighed to determine yields; the -150# fraction was discarded due to low bauxite content. All recovered fractions were subsequently crushed, pulverised, homogenised, and sub-sampled (15-30 g aliquots) for chemical analysis.

Analytical work was completed at certified laboratories subject to independent benchmark testing. XRF analysis was performed initially by SGS (until 2011), then Intertek (until 2014), and subsequently ALS (from 2015 onward), with Geoanalabs acting as the check laboratory. Routine analytical suites included major oxides (Al_2O_3, Fe_2O_3, SiO_2, TiO_2), minor oxides, Loss on Ignition at 405°C and 1000°C, and wet chemistry determinations for TAA and RSI. Additional representative drill holes were analysed using ICP-MS and Total Organic Carbon (TOC) methods to characterise crude and washed ore.

7.3 QA/QC Controls

A comprehensive QA/QC program was implemented during the Rio Tinto drilling campaigns to ensure the accuracy and reliability of geological and geochemical data. Certified laboratories – SGS (pre-2011), Intertek (2011-2014), and ALS (from 2015 onward, with Geoanalabs as the check lab) – performed XRF analyses for

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major oxides (Al_2O_3, Fe_2O_3, SiO_2, TiO_2) and minor elements, LOI at 405°C and 1000°C, and wet chemistry for TAA and RSI. Additional ICP-MS and TOC analyses were completed on representative profiles.

QA/QC controls included insertion of blind matrix-matched standards, blanks, and duplicates at a rate of approximately 1 in 20 samples (20% of total assays). All assay batches were reviewed for precision, accuracy, and contamination, with no material bias or performance issues identified. Assay results were validated before incorporation into the geological database.

SLR considers the Rio Tinto QA/QC program adequate and the resulting dataset suitable for use in Mineral Resource estimation.

7.4 BRE Re-Sampling & Analysis

BRE conducted a re-assay program using archived pulp and coarse reject material from 9,797 m of historical drilling to further validate the Rio Tinto database. Early phases analysed both pulps and rejects; the program was later refined to focus on coarse rejects, with systematic sub-sampling every fourth 0.5 m interval from hole bottom upward. Sub-samples (250-300 g) were pulverised to 85% passing 75 µm, with residues retained for future checks. Duplicate splits were inserted at a frequency of 1 in 20 samples.

Sample preparation was completed at ALS Belo Horizonte, with assays performed at ALS Lima using Lithium Borate Fusion ICP-MS (ME-MS81). XRF analysis was also used to compare key oxides (Al_2O_3, Fe_2O_3, SiO_2) against the Rio Tinto dataset.

Results show excellent agreement with historical data, with no systematic bias and a correlation coefficient of R = 0.99. This confirms the reliability of the Rio Tinto assay database. Verification of TAA and RSI has not yet been completed and will be addressed in future test work.

7.5 Twin Hole Analysis

Rio Tinto completed a structured twin-hole program to assess reproducibility of auger and aircore drilling data. Twin holes were collared within 5 m of original locations and drilled using comparable methods. Comparative analysis demonstrated strong correlation in lithological logging, mineralised thicknesses, and oxide grades (Al_2O_3, Fe_2O_3, SiO_2), with variations consistent with expected geological heterogeneity.

Statistical evaluation of paired samples identified systematic differences between drilling methods. Aircore samples returned higher +20 mesh yields (typically 6-7 percentage points greater for crude bauxite) and higher TAA head grades (approximately 2 percentage points above auger). For massive bauxite, aircore +20 mesh yields exceeded auger by more than 15 percentage points, and TAA head grades by roughly 5 percentage points. These differences reflect superior sample recovery and profile integrity of aircore drilling.

Overall, the twin-hole program supports the validity of the historical dataset and enhances confidence in geological modelling and Mineral Resource classification.

7.6 Opinion of Competent Person

SLR has reviewed the historical Rio Tinto drilling database, analytical and QA/QC results and considers them consistent with industry practice for the period in which the work was completed. The combined dataset shows no material issues and is suitable for use in Mineral Resource estimation.

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8 Data Verification

8.1 Procedures of Competent Person

SLR received the Amargosa drill database in digital format and conducted a systematic review using Excel and Leapfrog software. A site visit was completed from 11 to 13 August 2025, during which SLR inspected outcrops, core storage facilities, BRE's updated core handling procedures, mineralised intervals, and sample rejects, and held technical discussions with BRE geologists. High-resolution terrain data – acquired by Rio Tinto through satellite remote sensing and validated with ground control points – were reviewed, and drill collar locations were checked against the topographic model. SLR also examined logging and sampling practices and confirmed that core, pulp, and reject material were appropriately stored and managed at site.

8.2 Limitations

SLR did not identify any material limitations in the information provided.

8.3 Opinion of Competent Person

SLR did not identify any data inaccuracies or misrepresentations and found no inconsistencies during database validation. The Competent Person considers the data to have been adequately acquired, verified, and validated in accordance with industry practices, and suitable for Mineral Resource estimation, geological interpretation, and mineralisation domain definition.

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9 Mineral Processing and Metallurgical Testing

Metallurgical test work completed for the Amargosa Project between 2012 and 2016 evaluated the processing characteristics of the lateritic bauxite deposits, their suitability for a DSB operation, and the potential application of dry screening for moderate-grade domains.

Test programs were undertaken using trench samples and aircore clusters collected across the North, Central, and South Districts. These samples preserved natural moisture and particle-size characteristics and were assessed under both natural and reduced-moisture conditions to understand variability, moisture effects, and upgrading potential.

A total of 22 composite samples were tested at Metso facilities using triple-deck dry screens at 22 mm and 8 mm cut sizes. Heap-draining (2-5% moisture reduction) improved screening efficiency, enabling better separation of coarse, high-grade fractions. The work demonstrated that crude quality bauxite material meets DSB specifications with minimal processing, while beneficiable bauxite material can be upgraded through dry screening.

At 14-16% moisture, screening yielded 43-49% >22 mm product with TAA >40% and RSI <2.6%, and cumulative recoveries of 60% were achieved when wet-washing intermediate fractions (<22 mm >8 mm). These outcomes confirmed the natural grade distribution and defined the practical boundaries between DSB-grade and screening-amenable material.

Mineralogical studies showed that the bauxite is predominantly gibbsitic, with boehmite typically <1%, making it suitable for low-temperature Bayer refining. Work completed at QRDC confirmed favourable refining behaviour, including high alumina extraction efficiency, low soda consumption, manageable organic carbon, and minimal formation of desilication products.

Collectively, the test work confirms that Amargosa contains high-grade, naturally gibbsitic bauxite suitable for a DSB operation without beneficiation, meeting key market specifications for TAA and RSI.

While historical programs assessed dry screening and wet washing of moderate-grade domains, the current development pathway focuses on mining and shipping naturally high-grade material. Future metallurgical work will focus on dry-screening, grade control and domain management, customer-driven specifications, and further sampling and characterization for the Pre-Feasibility Study.

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10 Mineral Resource Estimate

10.1 Mineral Resource Inputs, Database and Modelling

The Mineral Resource Estimate is based on a comprehensive drill database comprising 5,745 auger, aircore and sonic drillholes totalling 74,026 metres, completed between 2006 and 2015. Drill spacing ranges from 100 m × 100 m in advanced areas to 400 m × 400 m along deposit margins. Core recoveries were generally high in bauxite-rich zones – frequently exceeding 90% – and are considered adequate for geological interpretation and resource estimation.

The dataset includes drill collars, downhole surveys, lithology and mineralisation logs, assay data, 23,095 density measurements, 23,772 samples within mineralised domains, 3-D geological models, block models and high-resolution topography. Samples were composited to 0.5 m intervals, consistent with the modal sample length, and validation procedures confirmed no material inconsistencies or QA/QC issues.

Geological modelling was completed in Leapfrog using implicit modelling techniques. Mineralisation was domained using lithological boundaries, laterite profile development, TAA and tAl_2O_3 thresholds, and internal dilution zones. Two primary estimation domains were defined:

- Direct Ship Bauxite (DSB) – TAA ≥ 35%, tAl_2O_3 ≥ 40%; and
- Beneficiable Bauxite (BB) – TAA < 35%, tAl_2O_3 < 40%.

Block models were developed for the North, Central and South Districts using 20 m × 20 m × 1 m parent blocks. Density values were interpolated into each block using the extensive SG database and validated through comparison with sample-level statistics.

Grade estimation utilised ordinary kriging for TAA and RSI and inverse-distance weighting for Ga. Estimation parameters incorporated multiple search passes, minimum and maximum sample thresholds and hard boundaries between domains, ensuring appropriate grade continuity and limiting smoothing effects. Validation included visual checks, swath plots and global statistical comparisons, confirming the model's reliability for public reporting.

10.2 Mineral Resource Estimate

The resulting Mineral Resource Estimate defines a large, laterally continuous bauxite system with high-grade DSB zones flanked and underlain by substantial volumes of beneficiable bauxite. The MRE was completed by SLR and is reported in accordance with the JORC Code (2012). Mineral Resources are reported in situ on a dry tonnage basis and constrained within an optimised open pit shell demonstrating Reasonable Prospects for Eventual Economic Extraction. Only blocks above applicable cut-off grades and within RPEEE-constrained pit shells are reported as Mineral Resources. Mineral Resources are not Ore Reserves and do not have demonstrated economic viability.

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Figure 15: JORC-Compliant Mineral Resource Estimate

Resource Category	In-Situ					Processed 20+ Mesh Bauxite Product			
	Tonnes	TAA	RSI	Ga	Ga	Yield	Tonnes	TAA	RSI
	(mt)	(%)	(%)	(ppm)	(kt)	(%)	(mt)	(%)	(%)
Direct Ship Bauxite									
Indicated	87.7	41.9%	2.5%	51.3	4.50	-	-	-	-
Inferred	10.2	41.9%	2.7%	53.7	0.55	-	-	-	-
Total Direct (I+I)	**97.9**	**41.9%**	**2.5%**	**51.6**	**5.05**	**-**	**-**	**-**	**-**
Beneficiable Bauxite									
Indicated	249.6	28.2%	6.2%	47.2	11.78	41.5%	103.6	41.3%	2.8%
Inferred	220.4	26.4%	6.2%	46.6	10.28	39.9%	87.9	40.2%	2.5%
Total Beneficiable (I+I)	**469.9**	**27.3%**	**6.2%**	**46.9**	**22.05**	**40.7%**	**191.4**	**40.8%**	**2.7%**
Direct + Beneficiable									
Indicated	337.2	31.7%	5.3%	48.3	16.27	41.5%	103.6	41.3%	2.8%
Inferred	230.6	27.1%	6.1%	46.9	10.82	39.9%	87.9	40.2%	2.5%
Total MRE (I+I)	**567.8**	**29.8%**	**5.6%**	**47.7**	**27.10**	**40.7%**	**191.4**	**40.8%**	**2.7%**

Notes: (1) Mineral resources are reported in situ on a dry tonnage basis and are current as of October 3, 2025; (2) Bauxite is divided into two estimation domains based on geochemistry: Beneficiable (TAA<35%, tAl_2O_3<40%) and Direct ship (TAA≥35%, tAl_2O_3 ≥40%); (3) Mineral Resources are constrained within a shell applying RPEEE assumptions including Al price (CIF China), ocean freight and mining costs; (4) Totals may not sum due to rounding.

10.3 Geological Setting and Mineralisation Characteristics

Bauxite mineralisation at Amargosa occurs within a well-developed lateritic profile formed over basement rocks across the North, Central and South Districts. The bauxite horizon is laterally continuous, typically flat-lying to gently undulating, and displays consistent vertical zonation from ferruginous laterite through bauxitic clay into high-alumina DSB and underlying BB material.

High-grade DSB zones are characterised by elevated TAA and low reactive silica, commonly occurring in thicker channelised geometries, while beneficiable material forms extensive halos above, below and adjacent to these zones. Gallium distribution is closely associated with aluminium-rich domains and remains consistent across districts, supporting gallium recovery potential in downstream processing scenarios.

This geological setting underpins the continuity, thickness and predictable geometry reflected in the Mineral Resource Estimate.

10.4 Classification and RPEEE

Mineral Resources have been classified as Indicated or Inferred based on drill density, geological continuity, data quality and kriging confidence metrics. Indicated Resources reflect areas of closer-spaced drilling and well-constrained geological interpretation, while Inferred Resources represent extensions where continuity is supported but less certain.

Mineral Resources were constrained within a shell applying RPEEE assumptions including CIF China pricing, ocean freight and mining costs. SLR considers the assumptions reasonable for the Scoping Study level and adequate to demonstrate RPEEE under the JORC Code (2012). The Competent Person is not aware of any environmental, permitting, legal, taxation, socio-economic or marketing factors that would materially affect the validity of the estimate.

10.5 Mining and Metallurgical Methods and Parameters

Mining assumptions applied in the RPEEE evaluation are based on conventional, low-strip lateritic bauxite mining operation, consistent with the shallow geometry and competent near-surface conditions observed across the Amargosa deposit. Current geotechnical interpretation indicates that no blasting is required, supporting low-cost excavation and short mining cycles. Productivity rates, dilution allowances, mining recovery factors and bench sequencing assumptions reflect typical practices at analogous bauxite operations and are appropriate for Scoping-level assessment.

Metallurgical parameters are informed by available screening, wet beneficiation and mineralogical test work completed to date. Results confirm that Amargosa bauxite exhibits favourable liberation characteristics, with reactive silica reduction and product grade uplift achievable through simple screening and washing. These characteristics are consistent with established processing approaches for lateritic bauxite and support the potential to produce both a direct ship bauxite product and an upgraded beneficiated product from the BB domain. The parameters applied are considered reasonable at the Scoping Study stage for evaluating Mineral Resource potential and RPEEE constraints.

10.6 Competent Person's Opinion

SLR is of the opinion that the drilling, sampling, geological interpretation, estimation methodology and validation procedures applied by Rio Tinto and BRE are appropriate for this stage of study, that the data are adequate to support the Mineral Resource classification, and that the reported Mineral Resource meets the requirements of RPEEE and is suitable for public disclosure under the JORC Code (2012).

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11 Mining Methods

11.1 Geotechnical Considerations

The Amargosa deposit is shallow and follows natural surface topography, and no formal geotechnical investigation has been completed to date. For the Scoping Study, SLR applied preliminary assumptions consistent with the terrain, including a general pit slope angle of 32° used in the optimization process. Bauxite material occurs at or near surface, requiring no deep excavation, and the planned progressive closure approach reduces geotechnical risk.

11.2 Mine Design and Rehabilitation

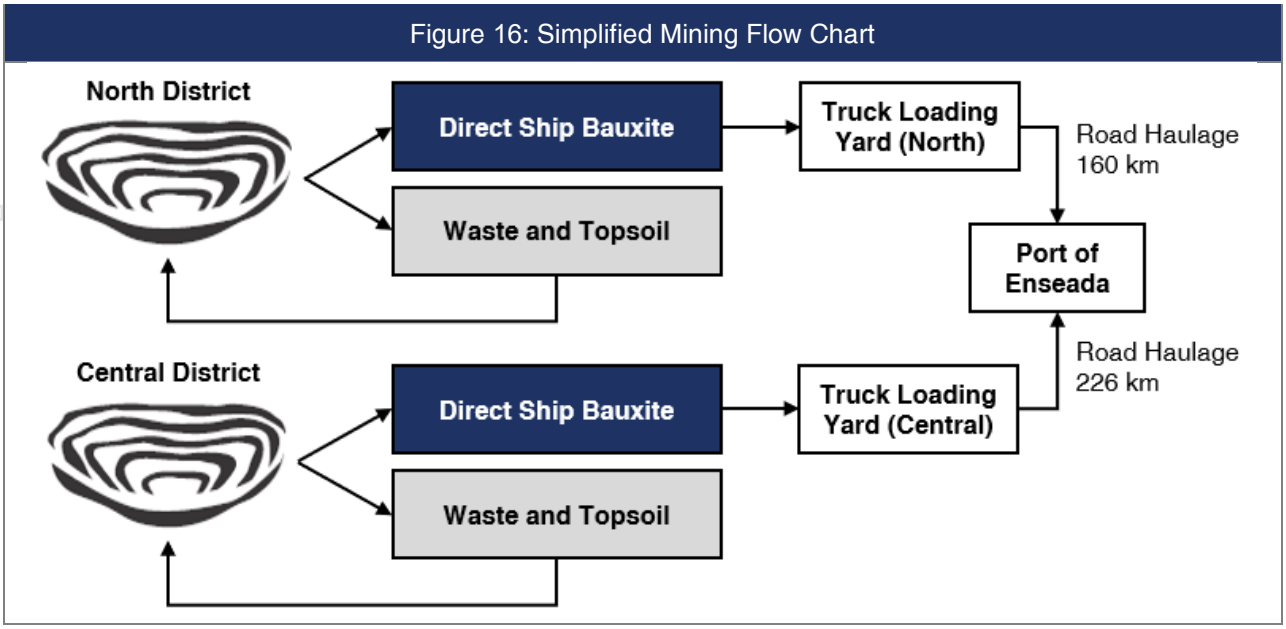
The Amargosa Project will employ efficient open-pit mining, enabled by the shallow, laterally continuous and flat-lying geometry of the bauxite profile. Mineralisation occurs at or near surface, resulting in low strip ratios and excavation without drilling or blasting. Mining will progress through a series of shallow open cuts across the North and Central Districts, supporting efficient low-cost production.

The bauxite will be excavated using conventional equipment and loaded into haul trucks for transport to district-level dispatch terminals, which also serve as stockpiling and grade-control points prior to transport to port. Overburden and waste removed during initial pit development will be placed in available backfill locations to progressively refill mined-out areas. Rehabilitation will restore soil conditions and return land to existing uses, including cacao cultivation, native forest, subsistence agriculture and small-scale cattle farming.

Mine optimisation for the Scoping Study was completed using Whittle with a 20 × 20 × 3 m SMU, 2% dilution, 98% mining recovery and a 5 Mtpa production rate. These parameters reflect the favourable mining conditions, consistent geometry and low variability across the deposit, providing a basis for early-stage scheduling. The optimisation shells demonstrate continuity across multiple mining districts, supporting staged development and flexible pit sequencing in future study phases.

Block-level economics were defined using a Net Smelter Return (NSR) approach accounting for bauxite quality (TAA, RSI and organic content), reference CIF China pricing, logistics and statutory charges. Nested pit shells were generated, and the revenue-factor-1 shell was selected to define the base case for scheduling.

Figure 16: Simplified Mining Flow Chart



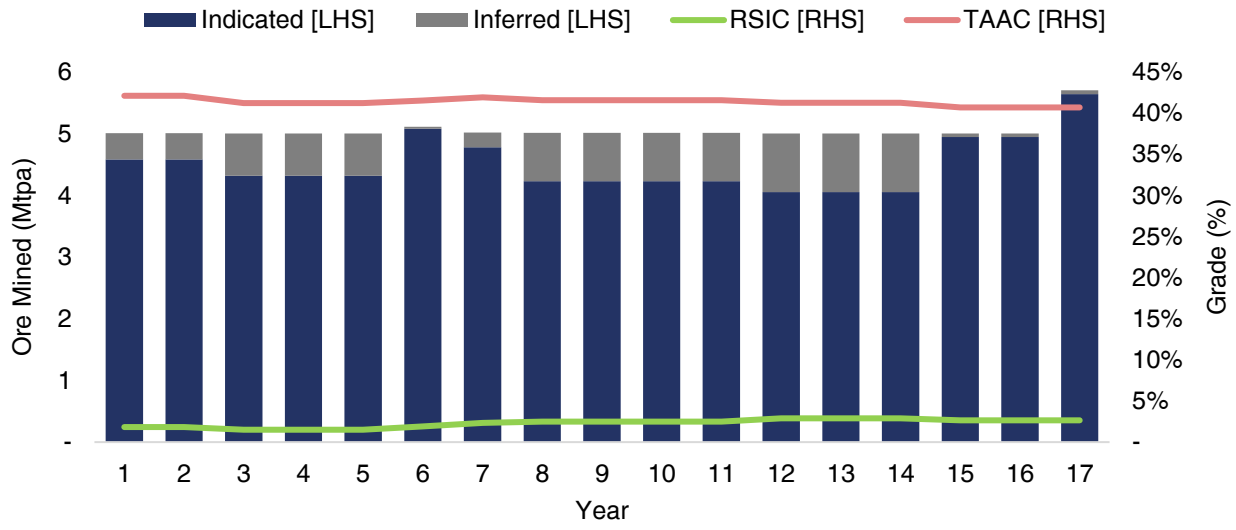
11.3 Production Target and Mine Schedule

Pit optimizations were completed in order to produce a production schedule on an annual basis. This resulted in a total Production Target of 86 Mt @ 41.4% TAA and 2.3% RSI with a mine life of 17 years. The schedule is based on 89% of the total mine ROM material being in an Indicated category.

Figure 17: Production Target Summary – Total Indicated & Inferred

	Total Tonnes	Indicated Tonnes	Inferred Tonnes	% Indicated
Units	*(Mt)*	*(Mt)*	*(Mt)*	*(%)*
Life of Mine	86	77	9	89%

Figure 18: Production Target



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12 Recovery Methods

The Amargosa Bauxite Project is designed as a 5 Mtpa DSB operation producing high-grade gibbsitic bauxite that meets market specifications without the need for a beneficiation plant. The recovery strategy is based on dry handling of naturally high-quality ore, supported by two loading terminals that provide stockpiling capacity for heap drainage, moisture reduction and blending prior to dispatch. The inherent consistency of Amargosa's large-scale DSB domains is expected to support predictable product quality and relatively simple stockpile management.

Metallurgical test work and particle-size analysis confirm that the DSB material is naturally suitable for direct shipping, with approximately 80% of the ore below 100 mm and no requirement for primary crushing. Any oversize material can be managed operationally. Moisture and size distribution will be routinely monitored to ensure compliance with Transportable Moisture Limit (TML) and International Maritime Solid Bulk Cargoes (IMSBC) Code requirements.

Test work demonstrates that DSB material consistently achieves TAA ≥40% and RSI ≤3%, enabling a simplified flowsheet comprising mining, haulage, stockpiling and direct shipment to port. Natural moisture levels typically range from 14–20% and are further reduced through drainage at the loading terminals and port stockyards. Recovery of saleable product is expected to be high given the minimal processing stages, which reduce both operating cost and operational complexity.

The DSB-only strategy benefits from a straightforward flowsheet, with opportunities to further refine grade control and product scheduling to enhance product consistency as mining progresses. These optimisation levers, including dry-screening, are well established in comparable bauxite operations and will be progressed during the Pre-Feasibility Study. The next study phase will also assess optional upside measures – including mobile dry screening of BB material, wet washing of selected middlings fractions and enhanced moisture-management practices – to support additional operational flexibility and potential product quality improvements.

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13 Mine Site Infrastructure

13.1 Access Roads

The Project benefits from established regional access via BA-545 and BR-101, providing reliable, year-round connectivity. Upgrades will be completed along key segments to support heavy haulage, including formation strengthening, drainage improvements, erosion controls and dust-suppression measures suited to lateritic terrain. Internal mine roads will link active pits to the two loading terminals and are designed to support 50-tonne road trains, the preferred configuration for cost-efficient DSB haulage.

13.2 Stockpiling

Run-of-mine bauxite will be stockpiled in its natural state at both terminals. Stockpile pads are designed for:

- Grade-segregated stacking to manage ore domains and support blending
- Natural drainage to reduce moisture and manage moisture requirements
- Dust, sediment and runoff controls consistent with tropical conditions

13.3 Loading Terminals

Two dedicated loading terminals support phased mine development and optimise haulage distances as operations advance southward.

Terminal 1 (North District) is the primary dispatch hub for the initial years of operation, incorporating:

- ~6.5 ha stockyard with ~160,000 t live capacity
- Low-profile stockpiles allowing natural drainage and blending
- Weighbridges, truck gates, workshops, tyre and mechanical bays
- LNG refuelling and light vehicle support facilities
- Administrative, safety and control-room infrastructure

Terminal 2 (Central District) will be commissioned as mining begins at the Central District. Terminal 2 replicates the North District functionality and ensures uninterrupted ore dispatch. The dual-terminal strategy reduces average haulage distances and allows flexible scheduling between mining fronts.

13.4 Power Supply

Given the DSB-only strategy and absence of fixed beneficiation or crushing circuits, power demand is modest and limited to lighting, communications, workshops, administration and utilities. Both terminals will be connected to the regional grid, supported by diesel backup generators for critical systems. Indicative power demand is ~1 MW per terminal.

13.5 Fuel and LNG Supply

The haulage fleet will operate on LNG sourced from a regasification station at Ipiúna. LNG will be trucked to both terminals and stored in cryogenic tanks integrated into site operations. Diesel will remain the primary fuel for auxiliary equipment, with refuelling facilities positioned along the logistics corridor to ensure uninterrupted haulage.

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13.6 Water Supply

Water requirements are modest and relate primarily to dust suppression, equipment cleaning and camp and office use. Prior studies confirm sufficient water availability from local surface and groundwater sources. Storage tanks, pumping systems and recycling measures will be installed at each terminal to minimise consumption and manage seasonal variability.

13.7 Communications

Operations will be supported by a communications suite including:

- VHF/UHF radio networks for mine control
- Cellular coverage with satellite redundancy
- IT systems for fleet dispatch, logistics tracking and grade-management functions

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14 Export Logistics

14.1 Road Hauling

Amargosa will establish an initial 5 Mtpa direct ship operation commencing at Amargosa's North District. Approximately 20 km of municipal roads connect the North District to the Federal interstate highway BR-101, a fully paved, multi-lane road forming part of Bahia's core logistics corridor enabling reliable, year-round haulage. Direct ship product will be trucked approximately 160 km via BR-101 and BR-420 to the Port of Enseada, the optimal export hub for Amargosa's initial operations.

Trucking feasibility and cost assumptions applied in the Scoping Study were established through a detailed bottom-up analysis of regional haulage conditions and requirements. A comprehensive trucking cost model for an owner-operated fleet configuration was prepared and incorporates all relevant physical, technical, and economic parameters governing long-distance haulage across Bahia's transport corridor, including:

- Haul distance, gradient, and road quality;
- Payload and cycle times for various truck and trailer sizes/configurations;
- Fuel type and consumption, tyre wear, and maintenance;
- Driver, mechanical, and administrative labour costs; and
- Vehicle depreciation, taxes and load insurance

The model was built using current market prices inputs for fuel, labour, and maintenance services in Bahia and benchmarked against comparable bulk-haul operations in the region. This process produced detailed capital and operating cost build-ups forming the foundation of the Project's trucking cost assumptions. These build-ups include fleet procurement, maintenance facilities, and fuel infrastructure, as well as variable operating components such as fuel consumption, tires, and maintenance cycles.

Both diesel and compressed natural gas (CNG) haulage configurations were evaluated, with CNG selected as the preferred option. The selected haulage configuration is based on the Scania G 460 6x4 NZ 9-Axle Road Train with a 50 tonne payload efficiency.

Figure 19: Federal Highway BR-101



Figure 20: Scania G 460 6x4 NZ Road Train



14.2 Port of Enseada & Transshipping

Situated 160 km northeast of Amargosa's North District, the Port of Enseada is a privately operated industrial and bulk logistics complex originally developed with Kawasaki Heavy Industries for shipbuilding. The port has benefited from over US$1 billion in capital investment, providing proven bulk-export infrastructure within Bahia. Enseada offers tailored mine-to-vessel logistics solutions aligned with Amargosa's capital-efficient start-up and scalable growth plans.

BRE and Enseada have signed a Memorandum of Understanding (MoU) to evaluate and advance operational parameters for exporting Amargosa's bauxite through the port. The MoU scope includes end-to-end logistics including road haulage, stockyard and port handling, and transshipment into Capesize vessels, as well as regulatory approvals. The parties intend to finalise commercial agreements within the next two to three years, ahead of anticipated mining operations at Amargosa's Northern District.

Bulk handling for Amargosa will utilise onshore loading and stockpiling infrastructure at Enseada in combination with offshore transshipment operations. Material will be trucked from the mine to the port, stockpiled, and conveyed to barges for transfer to floating storage and transfer units positioned approximately 12 nautical miles offshore, operating within sheltered waters that enable year-round availability. The port and transshipment cost assumptions applied in the Scoping Study are supported by commercial discussions with regional operators, along with detailed technical review and benchmarking against similar bulk export operations in Brazil.

Figure 21: Port of Enseada & Transshipping Location in Bay of All Saints



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Figure 22: Port of Enseada – Deepwater Export Facility



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15 Market Studies

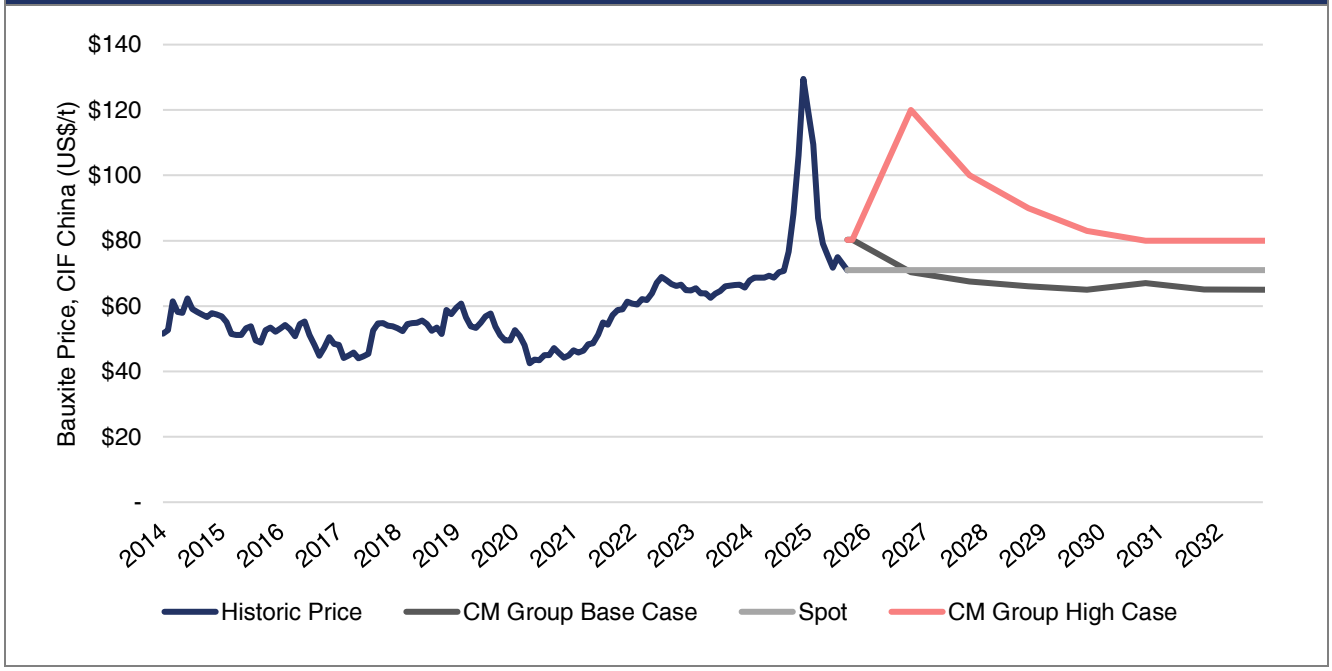
15.1 Bauxite Market Overview

Following a decade of rapid, double-digit demand growth, demand for imported bauxite into China is expected to remain positive as domestic supply continues to shrink due to grade depletion and strict environmental policies restricting bauxite mining, resulting in substitution of domestic supply with imports.

Having set record highs in early 2025, CM Group forecast that bauxite prices will pull back over the next two years to Value-in-Use (VIU) adjusted cost curve fundamentals, as new supply enters the market, particularly from Guinea, the world's largest exporting country.

CM forecasts bauxite prices to shift structurally higher relative to historical averages, as mining costs and royalty charges increase in Guinea, pushing costs higher for marginal producers. Lower-cost, non-Guinean bauxite suppliers into China, such as Amargosa, stand to benefit from the increasing cost base in Guinea.

Figure 23: Historical Pricing & CM Group Bauxite Price Forecasts (GBIX)



Bauxite is the primary ore from which alumina is refined. Aluminium smelters then smelt the alumina using the Hall-Heroult electrolytic process to extract aluminium metal. Aluminium is subsequently formed into a variety of semi-fabricated and finished products, usually by extruding, rolling or casting.

Aluminium products are used across a wide range of market sectors, including transportation, electrical, construction and packaging. As such, aluminium is considered an essential metal, especially on account of its light weight (relative to other structural metals) and electrical conductivity. As the world decarbonises and shifts toward a more sustainable energy future, global aluminium demand is forecast to grow strongly. The renewable energy generation sector and the electric vehicle (EV) sector will both rely heavily on aluminium in the future, generating strong demand growth over the decades ahead.

Bauxite, the raw material from which primary aluminium is produced, is forecast to grow strongly, given the need for significantly larger tonnages to be mined, refined and smelted to meet growing global demand. The global bauxite market has grown rapidly over the past decade, driven almost exclusively by the dual forces of strong Chinese domestic primary aluminium demand and a significant decline in Chinese domestic bauxite supply. These two forces, combined, have accelerated demand for imported bauxite into China, resulting in very strong demand growth.

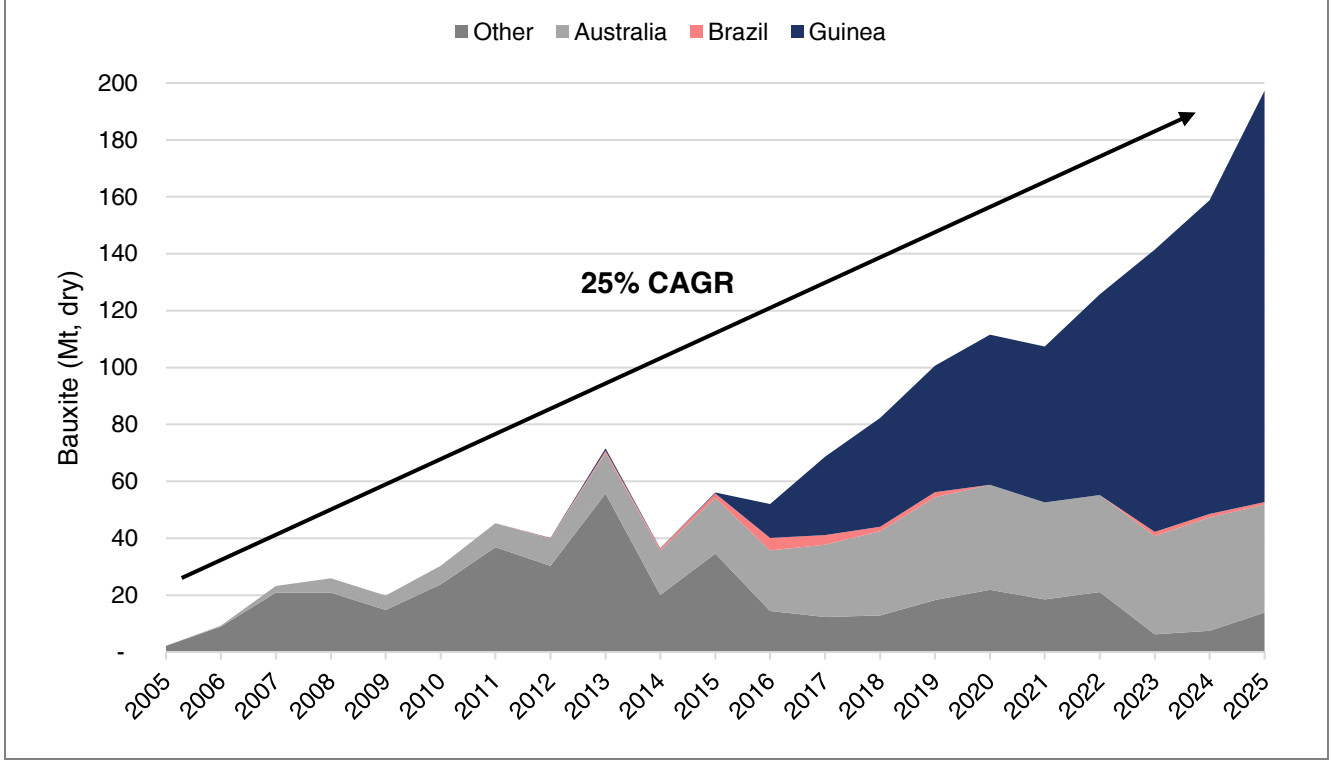
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China currently produces around 60% of the world's primary aluminium, increasing from 7.7 Mt in 2005 to 43.4 Mt in 2024, representing a compound annual growth rate (CAGR) of 9%. Equally impressive, alumina production has increased from 8.4Mt in 2005 to 86 Mt in 2024, representing a CAGR of 13%.

To meet the sustained expansion in alumina and primary aluminium production, China's reliance on imported bauxite has increased sharply since 2005 – the pivotal year when domestic reserves could no longer keep pace with downstream growth. Bauxite imports rose from 2 Mt in 2005 to 197 Mt in 2025E, representing a compound annual growth rate of 25% over the past two decades.

Bauxite export opportunities to other countries, such as India and the UAE, are forecast to emerge over the outlook period, however, volumes are forecast to be substantially smaller than the volumes imported into China. Thus, the dominant market for globally traded bauxite will continue to be China, which CM estimates will represent approximately 85% of the global traded bauxite market by 2035.

Figure 24: China Imports by Country

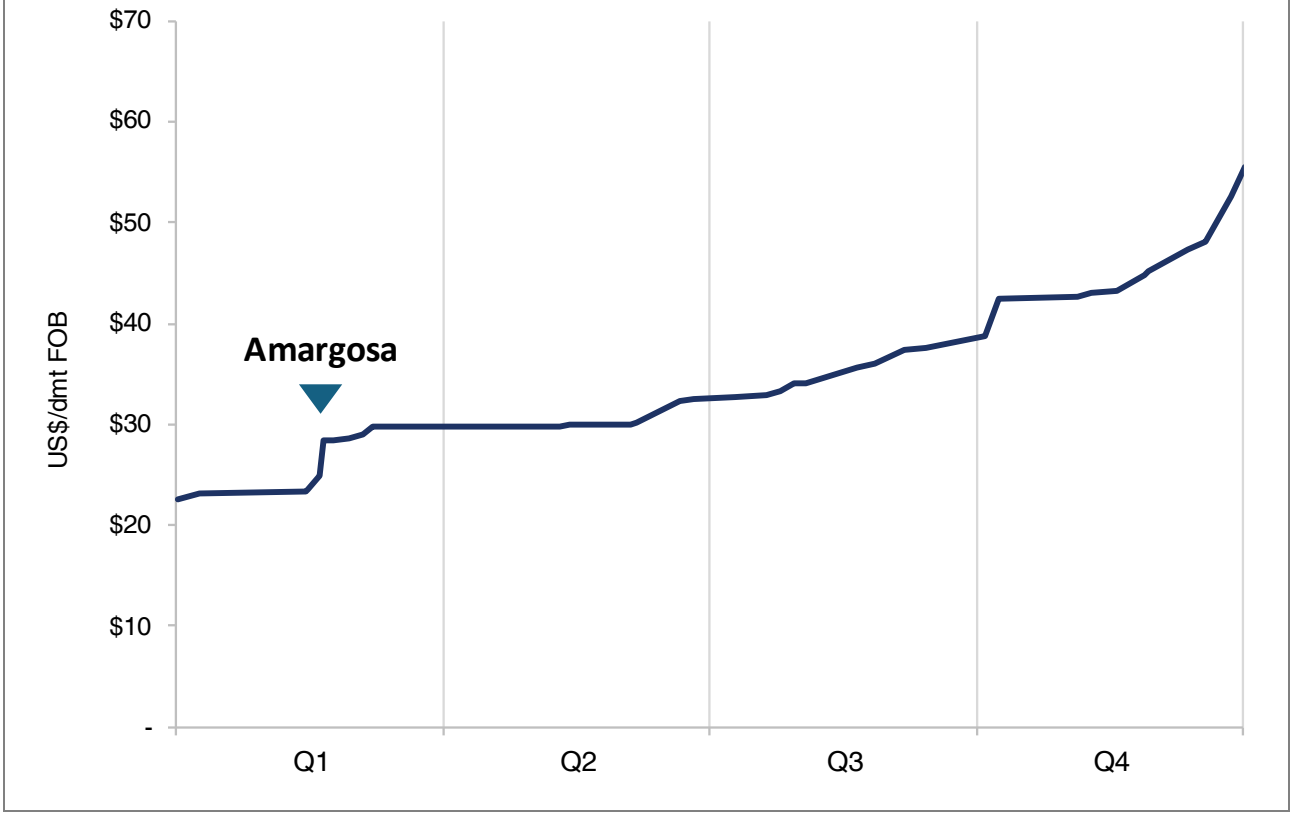


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15.2 Amargosa Competitive Positioning

Using CM Group's dataset, Amargosa is positioned within the first quartile of the global seaborne bauxite market cost curve.

Figure 25: Global Seaborne Bauxite Market – 2030 Cost Curve



15.3 Modelled Bauxite Prices

BRE engaged CM Group to provide long-term price forecasts and market analysis to underpin the pricing assumptions used in the Scoping Study. The forecasts supplied by CM Group are based on its proprietary global demand-supply and Value-in-Use models, which incorporate refinery feedstock requirements, grade and quality adjustments, logistics and freight trends, and long-term alumina capacity expansion scenarios. These forecasts have been adopted to provide a transparent and defensible basis for Amargosa's financial modelling and are expressed in constant 2025 US dollars on a CIF China basis, excluding VAT and moisture adjustments.

15.3.1 Bauxite Price Scenario Descriptions

CM Group's Base Case:

Adopts a long-term price of US$65/t. This case assumes a balanced global supply environment characterized by stable exports from Guinea and Australia, steady alumina capacity growth across China and Southeast Asia, continued depletion of China's domestic bauxite reserves and normal freight and port operating conditions.

CM Group's Higher for Longer Case:

Reflects a scenario in which the Government of Guinea (GoG) more strictly enforces refinery-construction obligations under existing concession agreements, similar to the recent expropriation of the GAC mining permit. Under this scenario, the GoG mandates that exporters not committed to building alumina refineries in Guinea face restrictions to export volumes, resulting in a significant fall in Guinea's seaborne supply.

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Only the major operators – SMB-UMS, CBG, Chalco, SPIC, NMC and Rusal's COBAD and CBK – are assumed to continue operating, while smaller producers are forced to close, materially tightening the global bauxite supply–demand balance.

Prices are expected to spike due to the initial supply shock and then gradually trend lower as replacement capacity is developed elsewhere; however, unlike the base case, prices do not revert fully. Instead, they remain elevated for an extended period as new ROW supply is brought onstream and China reverts to processing lower-grade domestic ores.

Under this scenario, CM Group forecasts bauxite prices, as measured by the GBIX index, to stabilise at approximately US$80/dmt CIF China. High-quality, low-reactive-silica bauxites from stable jurisdictions such as Amargosa would be well-positioned to benefit from this structurally tighter market and the premium placed on reliable, high-yield feedstock.

15.3.2 Modelled Bauxite Price Scenarios

CM Group's Value-in-Use calculator was applied to each long-term price assumption to adjust for Amargosa's specific product qualities relative to benchmark reference indices. Adjustments were made for total available alumina, reactive silica, organic carbon, and moisture, ensuring that the realised prices used in BRE's financial model reflect expected refinery performance and yield advantages.

Figure 26: Amargosa Value-in-Use Adjusted Price (US$/dmt CIF China)

Year	'29	'30	'31	'32	'33	'34	'35	'36	'37	'38	'39	'40	'41	'42	'43	'44	'45
Spot ($71/t)	74.13	74.13	73.42	73.42	73.42	72.73	72.05	70.91	70.91	70.91	70.91	68.97	68.97	68.97	68.58	68.58	68.58
CM ($65/t)	68.93	68.43	67.72	67.72	67.72	67.03	66.35	65.21	65.21	65.21	65.21	63.27	63.27	63.27	62.88	62.88	62.88
CM ($80/t)	83.13	83.13	82.42	82.42	82.42	81.73	81.05	79.91	79.91	79.91	79.91	77.97	77.97	77.97	77.58	77.58	77.58

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16 Environmental Studies, Permitting and Plans

Environmental and social information for the Amargosa Project draws on extensive baseline studies completed by Rio Tinto between 2008 and 2016. These historical studies provide robust regional-scale characterisation of climate, hydrology, vegetation, terrestrial fauna, land use and conservation areas; however, their age and regional scope mean that updated, local-scale baseline surveys will be required to support an Environmental Impact Assessment (EIA) under Bahia State regulations.

16.1 Environmental Studies

Historical assessments completed by JGP Consultoria (2016), VOGBR (2012), MDGEO (2018), Hardner & Gullison (2008) and the Kew Royal Botanic Gardens (2014) covered approximately 82,000 ha across the Main Belt and Algodão Belt. These studies used secondary environmental data supplemented by field verification and mapping, and remain directionally reliable at a regional scale. Updated, project-specific baseline work will be undertaken during the next phase to meet SEIA/EIA requirements for flora, fauna, hydrology, groundwater, climate, land use and ecosystem services.

The Project lies within the Atlantic Forest biome, an ecologically biodiverse region, which will influence planning and permitting requirements. No material environmental red flags have been identified, and opportunities for biodiversity enhancement exist and will be evaluated through future studies.

16.1.1 Water Resources

The Project is located within the De Contas River basin, intersecting four left-bank sub-basins. Hydrological data sourced from ANA and INEMA indicates perennial and intermittent watercourses typical of the region's semi-humid climate transition. Historical studies classify surface waters as "Class 2" under CONAMA Resolution 357/05. Groundwater occurs within a fissured aquifer system of the Crystalline Domain, typically saline with elevated total dissolved solids.

16.1.2 Vegetation

Previous studies used vegetation mapping from INEMA (2012), IBGE (2004), and PROBIO (2007). The Project area contains dense and seasonal ombrophilous forests in varying stages of regeneration and agricultural areas (including cabruca agroforestry). Vegetation mapping was validated through a 2016 field campaign.

16.1.3 Terrestrial Fauna

Secondary data indicates potential occurrence of diverse fauna typical of the Atlantic Forest hotspot, including species listed as threatened by IUCN, CITES, and Brazilian authorities. Updated primary data collection will be required during the EIA baseline phase to confirm species presence, conservation priorities, and potential management measures.

16.1.4 Conservation Areas

Sections of the Main Belt tenements overlap two state conservation units: the Caminhos Ecológicos da Boa Esperança APA and the Wenceslau Guimarães Ecological Station. The Algodão Belt does not overlap conservation units. Future infrastructure planning will be designed to avoid these areas and incorporate conservation priorities.

16.2 Social and Community

The Project spans 57 tenements across 17 municipalities characterised by rural communities, small-scale agriculture, and modest infrastructure.

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Land use consists of mostly small family farms (71% under 20 ha; 90% under 50 ha), producing vegetables, fruits, cocoa, cloves, bananas, and livestock depending on the district. Communities are familiar with regional mining activity. Road access is established, with well-maintained paved routes connecting towns, and rural areas.

Quilombola communities occur within the wider area of influence (e.g., Mucugê, Rio Vermelho, Alto Alegre, Pau da Letra, Boqueirão). These communities do not materially affect the Project's current footprint, although future social baseline work will confirm land-use rights with federal authorities (INCRA). Historical landowner consultations completed in 2015 are being advanced, and land access or acquisition agreements will be progressed as development progresses.

16.3 Permitting

The Project is currently in the exploration phase and holds all necessary exploration licences. Advancement to development will require a full environmental licensing process under Bahia State regulations administered by INEMA. Brazil's three-stage licensing framework applies:

- Preliminary Licence (LP) – environmental feasibility
- Installation Licence (LI) – construction approval
- Operation Licence (LO) – operational authorisation

This process is aligned with Federal Supplementary Law 140/2011, which establishes shared responsibilities across federal, state, and municipal authorities, with a single designated regulator (INEMA) issuing the final licence. BRE plans to complete the Environmental Impact Assessment (EIA) during the next phase of study.

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17 Capital and Operating Costs

17.1 Capital Cost Estimate

Capital cost estimates were developed from a combination of first-principles estimates, vendor quotations, and benchmark data from recent comparable bauxite and bulk commodity projects. All costs are presented in Q4 2025 US dollars, exclusive of escalation. The estimate reflects an intended accuracy of ± 35%, consistent with an AACE Class 5 scoping-level estimate. The estimate incorporates local Brazilian pricing where available, using an exchange rate of 5.7 BRL per USD. Sustaining capital allowances have been included for scheduled fleet replacement. Contingencies have been applied at 35%.

Figure 27: Construction Capex

Capex to First Production	Units	
Starter Mining Fleet	US$ m	$21 m
North - Land, Access, Strip, Mobilisation	US$ m	$16 m
North - Truck Loading/Maintenance Stations	US$ m	$23 m
North - Trucking Fleet	US$ m	$28 m
Contingency (35%)	US$ m	$31 m
Total Capex to First Production	**US$ m**	**$119 m**
Deferred Capex		
Central - Land, Access, Strip, Mobilisation	US$ m	$15 m
Central - Truck Loading/Maintenance Stations	US$ m	$22 m
Central - Additional Trucking Fleet	US$ m	$10 m
Contingency (35%)	US$ m	$16 m
Total Deferred Capex	**US$ m**	**$63 m**

17.2 Operating Cost Estimate

Operating cost estimates were prepared using a combination of first-principles inputs, supplier quotations, and benchmarks from established bauxite producers in Brazil. Costs are presented in Q4 2025 US dollars, exclusive of escalation. The intended accuracy is ± 35%, consistent with an AACE Class 5 scoping-level estimate. The same exchange rate of 5.7 BRL per USD has been applied.

Figure 28: Operating Costs

Mine Site - Mine & Haul	US$/dmt	$3.17
Mine Site - G&A + Other	US$/dmt	$0.93
Logistics - Load & Truck to Port	US$/dmt	$7.74
Logistics - Port Costs	US$/dmt	$12.18
Logistics - Ocean Freight	US$/dmt	$24.71
Total	**US$/dmt**	**$48.73**

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18 Economic Analysis

18.1 Methodology

A discounted cash flow model has been developed to evaluate the economic potential of the Amargosa Project. The analysis is presented in real Q4 2025 US dollars and incorporates the capital, operating, and pricing assumptions outlined in the Scoping Study. All results are shown on an unlevered basis and discounted in real terms at 8%.

18.2 Royalties, Taxes and Depreciation

The Scoping Study project economics include the following key parameters related to royalties, tax, and depreciation allowances.

- CFEM Royalty: 3% of Brazil FOB Equivalent Revenue
- Rio Tinto Royalty: $1 per wet metric tonne of Product sold
- Depreciation is applied on a straight-line basis over the life-of-mine
- Corporate income tax rate of 15.25% (SUDENE Incentive)

The Superintendência do Desenvolvimento do Nordeste (SUDENE) incentive provides an income tax reduction of 75% for approved industrial and mining projects located in Brazil's Northeast region, including Bahia. The concession applies for 10 years from the start of operations and can be renewed for an additional 10 years upon reapplication.

SUDENE approvals are granted following submission of a project plan demonstrating regional economic contribution, job creation, and alignment with sustainable-development objectives. For Amargosa, SUDENE represents a significant fiscal advantage, supporting Amargosa's competitiveness on a global cost basis while reinforcing the Brazilian government's strategy to stimulate investment and job creation across Brazil's Northeast region.

18.3 Foreign Exchange Rate

A USD/BRL exchange rate of 5.7 has been applied to convert Amargosa's BRL-denominated cost inputs into US dollars. This assumption reflects a neutral, steady-state planning rate informed by long-run historical averages and supported by independent forecasts from major international and Brazilian financial institutions. A selection of mid-2025 published forecasts is summarised below supporting the 5.7 USD/BRL assumption.

Figure 29: USD/BRL Forecasts

Institution	Forecast (End-2026)
Santander	5.90
UBS	5.50
JP Morgan	5.50
BTG Pactual	5.45
Rabobank	5.70
BNP Paribas	5.70
ING(1)	5.85
Average (Rounded)	**5.70**

(1) Reflects midpoint of published 5.7-6.0 range.

18.4 Project Economics

The main Project economic indicators are presented in Figure 30.

Figure 30: Amargosa Economics

Pricing & Production	Units			
Bauxite Price	US$/dmt	Spot $71/t	CM $65/t	CM $80/t
First Production	yr	2029	2029	2029
Avg. Annual Production (DSB)	Mtpa (dry)	5.1	5.1	5.1
Life of Mine	yrs	17	17	17
Life of Mine Production (DSB)	Mt (dry)	86	86	86

Average Annual Financials				
Realised Price	US$/dmt	$71.13	$65.13	$80.13
Revenue	US$ m	$359 m	$329 m	$405 m
Royalties	US$ m	-$11 m	-$10 m	-$13 m
Operating Costs	US$ m	-$246 m	-$246 m	-$246 m
EBITDA	US$ m	**$102 m**	**$73 m**	**$146 m**
Tax	US$ m	-$13 m	-$9 m	-$20 m
Sustaining Capex	US$ m	-$5 m	-$5 m	-$5 m
FCF	US$ m	**$84 m**	**$59 m**	**$121 m**

Construction Capex				
Capex to First Production*	US$ m	**$119 m**	**$119 m**	**$119 m**

Economics				
Bauxite Price	US$/dmt	Spot $71/t	CM $65/t	CM $80/t
After-Tax NPV8%	US$ m	**$630 m**	**$403 m**	**$970 m**
After-Tax NPV10%	US$ m	$545 m	$346 m	$843 m
After-Tax IRR	%	82%	59%	114%
NPV8%/Capex Ratio	x	5.3x	3.4x	8.1x
FCF Margin	%	23%	18%	30%
Payback	yrs	1.2	1.5	0.9

*Includes 35% contingency.

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Figure 31: Amargosa After-Tax Real Cashflows, Spot Pricing (US$71/tonne)

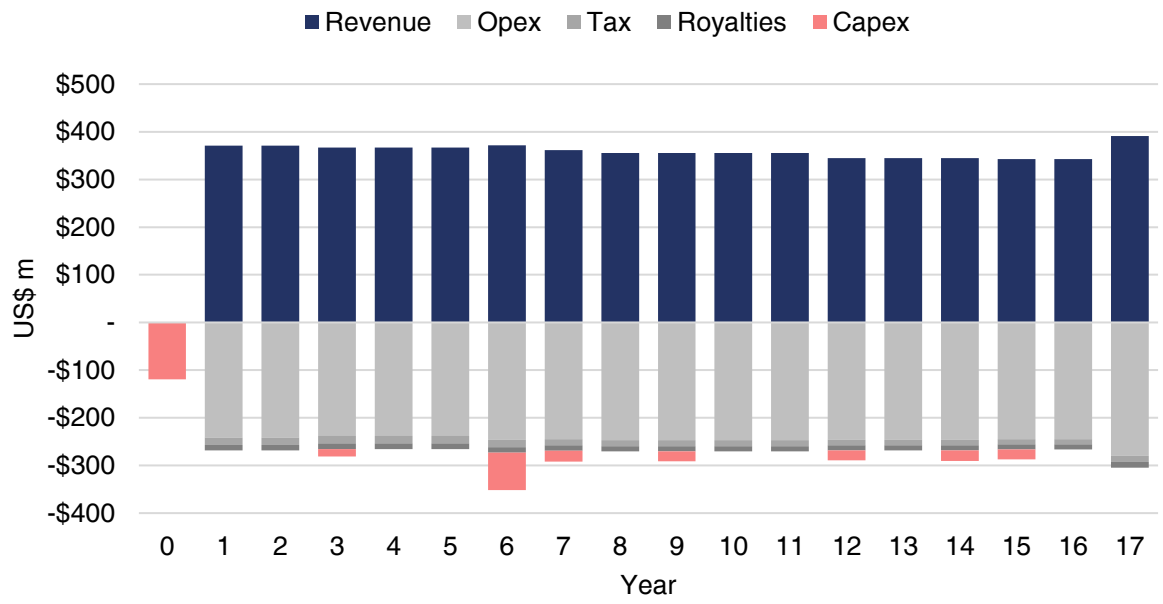
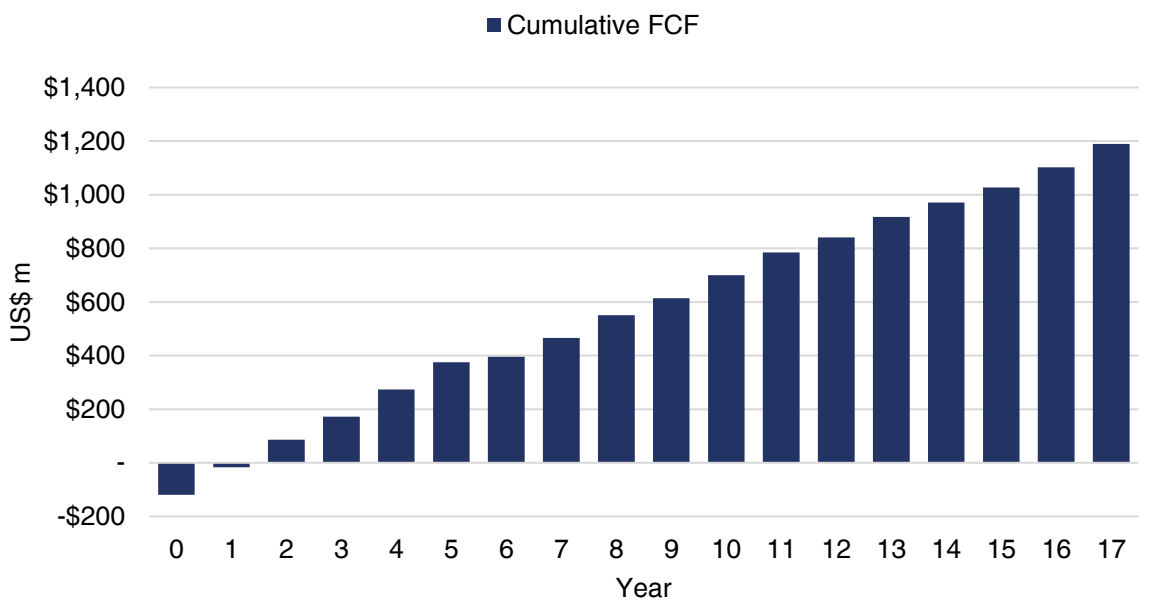


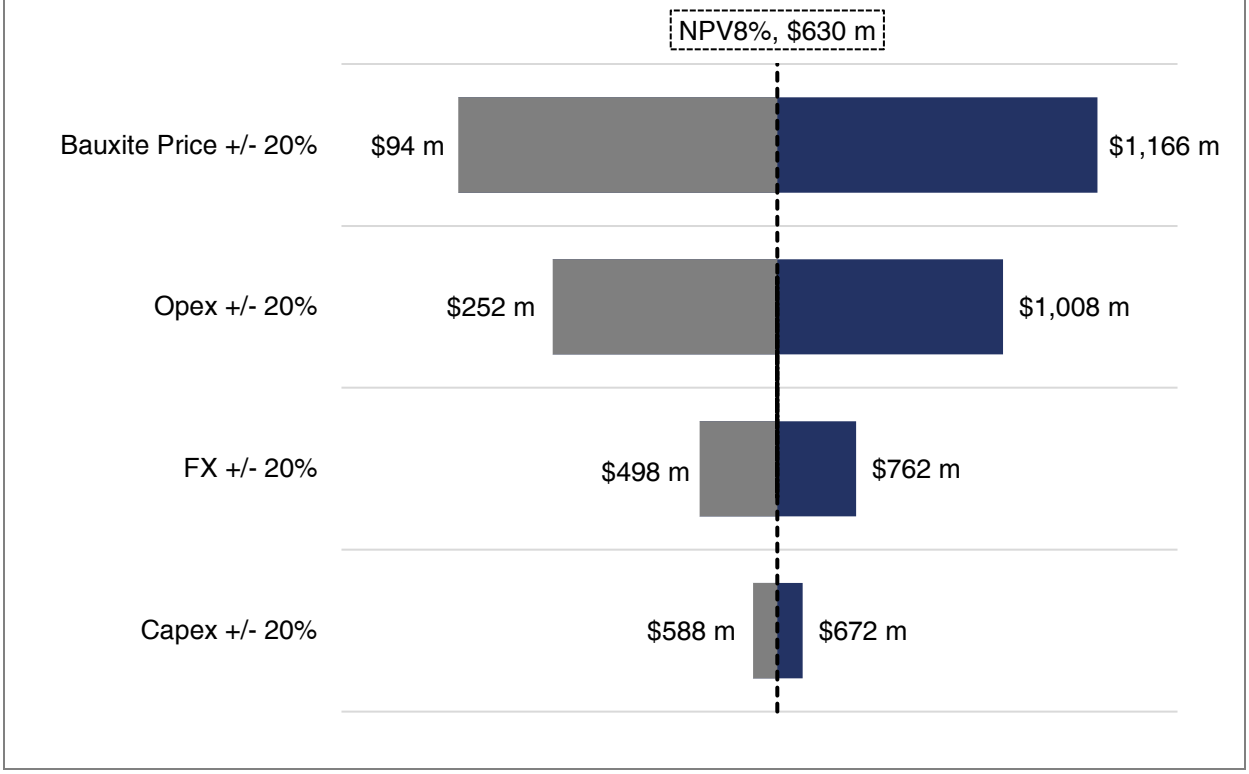
Figure 32: Amargosa After-Tax Real Cashflows, Spot Pricing (US$71/tonne)



18.5 Sensitivity Analysis

The Study has been designed to a Scoping level of detail with an intended accuracy of ± 35%. Key inputs into the Study have been tested by pricing, capital cost, operating cost and foreign exchange rate sensitivities.

Figure 33: NPV8% (US$ m), Spot Pricing (US$71/tonne)



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19 Southern Logistics Option – FIOL Rail

19.1 Scenario Overview

Beyond the 5 Mtpa DSB Northern Logistics base case (road haulage to Enseada), the Scoping Study also assessed a Southern Logistics – FIOL Rail Option that previous Rio Tinto feasibility studies focussed on. This conceptual development pathway relies on the completion of Brazil's FIOL railway and the future development of Porto Sul to increase bauxite exports to ~15 Mtpa.

The purpose of this scenario assessment was to model potential economic returns from a larger capital, higher production development plan that utilises Amargosa's beneficiable bauxite resources once the FIOL rail and Porto Sul is operational.

The Southern Logistics Option considers the construction of a rail load-out facility at the Central District, and a ~40 km rail spur that connects to the FIOL Corridor. The FIOL Railway passes approximately 40 km southwest of Amargosa's Central District, providing a direct rail route of roughly 150 km to Porto Sul. The FIOL corridor is currently 70% complete, with the segment linking Amargosa to Porto Sul largely constructed.

Designed as a heavy-haul, broad-gauge (1,600 mm) line, FIOL has an ultimate capacity of approximately 60 Mtpa. Under the federal concession held by Bahia Mineração (Bamin), FIOL must provide open third-party access, with haulage tariffs regulated by Brazil's National Land Transport Agency and indexed to Brazilian inflation, ensuring transparent and predictable long-term transport economics.

The conceptual scenario assumes that FIOL Rail becomes operational in 2032, at which point Central District DSB will be transported via FIOL to Porto Sul at a rate of 10 Mtpa, while the North District will continue to export 5 Mtpa via the Port of Enseada.

Porto Sul is a potential deep-water terminal designed to accommodate Capesize bulk carriers, featuring a 3.5 km access bridge and 1.5 km breakwater, enabling annual export capacity of approximately 40 Mtpa. Onshore preparation and early works have commenced, and the project may advance to full construction following finalisation of the sub-concession and implementation plan.

As DSB resources are depleted in both the North and Central Districts, it's assumed that beneficiation/washing plants are constructed in each district to process Amargosa's beneficiable bauxite resource. It's assumed that North District beneficiable bauxite is trucked to the Port of Enseada at a rate of 5 Mtpa, while Central District beneficiable bauxite is transported by rail to Porto Sul for export at a rate of 10 Mtpa.

While the Southern Logistics – FIOL Rail Option offers attractive long-term scale and economic returns at higher bauxite prices, the 5 Mtpa DSB base case is a superior, lower-risk pathway to near-term development. The proposed DSB development plan reduces execution risk, and capital required for a rail spur, supporting infrastructure and bauxite washing/beneficiation plants.

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Figure 34: Amargosa Districts, Bauxite Types, and Export Routes

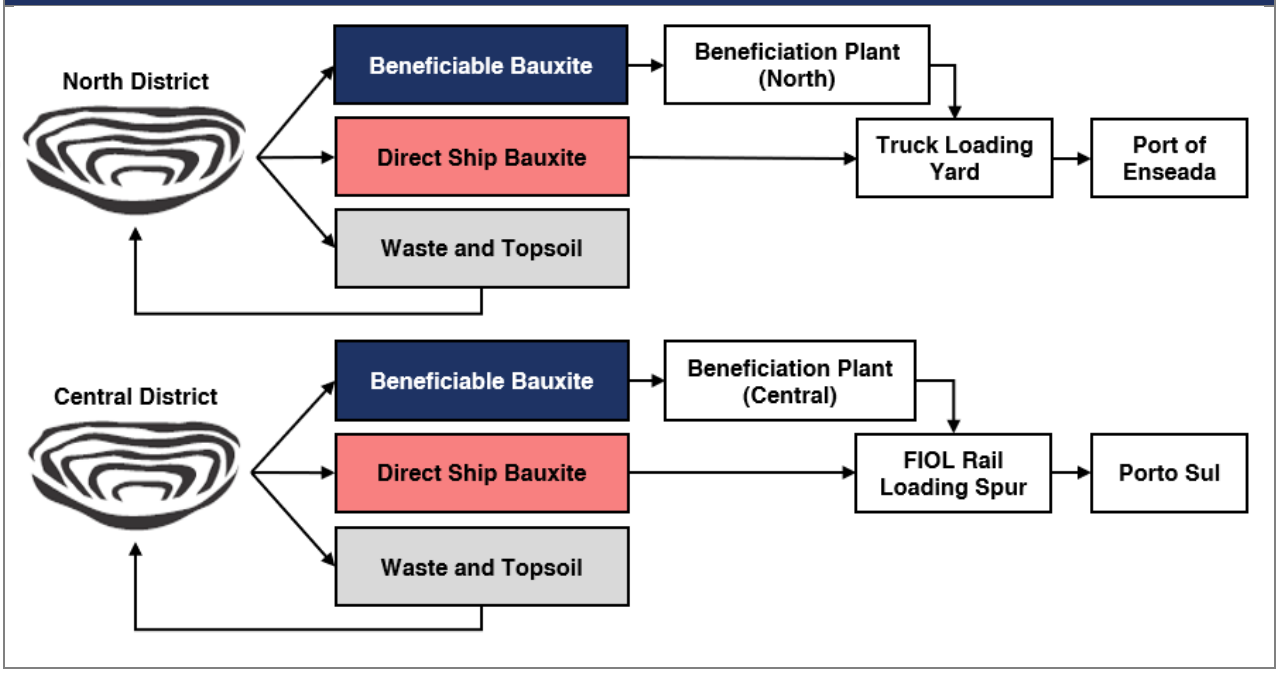


Figure 35: FIOL Rail (Left, Constructed) & Porto Sul (Right, Rendering)



19.2 Southern Logistics Option - Mining

An annual mining and production schedule was prepared by Mining Proficiency Group to support the evaluation of Southern Logistics Option. The schedule incorporates DSB and beneficiable bauxite across the North and Central Districts, with North District material being trucked to the Port of Enseada at a rate of 5 Mtpa and, starting in 2032, the Central District material being transported via rail to Porto Sul.

The mining sequence reflects the shallow, laterally continuous geometry of the Amargosa deposit. Bauxite occurs at or near surface and follows natural topography, enabling conventional open-pit mining with no drilling or blasting. Waste material will be temporarily stockpiled during initial cutback development and subsequently used to backfill mined-out areas, supporting progressive rehabilitation and minimising long-term surface disturbance.

19.2.1 Southern Logistics Option - Methodology

The Reasonable Prospects for Eventual Economic Extraction and pit optimisation were completed independently by Mining Proficiency Group under the JORC (2012) Code, with the resulting optimised shells forming the basis of the production schedule. The optimisation incorporated the following key parameters:

- Pit slope angle of 32°, consistent with the shallow lateritic profile and assumed geotechnical conditions
- Cost assumptions provided by MIPTEC, JM Souto and Tetra Tech
- Long-term bauxite price forecasts and value-in-use adjustments provided by CM Group
- Minimum 36% TAA threshold to ensure the DSB product consistently achieves the targeted 40% TAA
- Mining recovery of 98% and dilution of 2%, consistent with similar lateritic bauxite operations
- Surface constraints, including hydrological setbacks, environmental buffers, and land-use restrictions

19.2.2 Southern Logistics Option - Mining Schedule

Figure 36 summarises the resulting material movements, production scale, mine life and allocation of material across Enseada or FIOL/Porto Sul export pathways.

Figure 36: Summary Mining Schedule

	Units	'29	'30	'31	'32	'33	'34	'35	'36	'37	'38	'39	'40	'41	'42	'43	'44	'45	'46	'47	'48	'49
North DSB																						
Product	Mt	5.0	5.0	5.0	5.0	5.0	5.1	4.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Strip Ratio	x	1.0	1.0	0.7	0.7	0.7	1.0	1.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TAA	%	42.1	42.1	41.2	41.2	41.2	41.5	42.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RSI	%	1.8	1.8	1.5	1.5	1.5	1.9	2.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-
North BB																						
Beneficiable	Mt	-	-	-	-	-	-	-	13.2	14.0	12.9	13.4	13.7	12.6	17.6	12.6	0.3	-	-	-	-	-
Product	Mt	-	-	-	-	-	-	-	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	0.1	-	-	-	-	-
Strip Ratio	x	-	-	-	-	-	-	-	1.1	1.3	1.3	1.3	0.8	1.1	0.4	1.4	1.3	-	-	-	-	-
TAA	%	-	-	-	-	-	-	-	40.6	40.9	41.5	40.0	41.6	40.4	39.3	40.1	40.0	-	-	-	-	-
RSI	%	-	-	-	-	-	-	-	3.0	3.2	2.7	2.6	3.9	2.3	4.5	2.2	2.3	-	-	-	-	-
Central DSB																						
Product	Mt	-	-	0.6	10.0	10.0	10.0	10.0	10.7	-	-	-	-	-	-	-	-	-	-	-	-	-
Strip Ratio	x	-	-	2.1	0.6	0.6	0.6	0.6	0.5	-	-	-	-	-	-	-	-	-	-	-	-	-
TAA	%	-	-	39.7	41.6	41.6	41.3	41.0	40.7	-	-	-	-	-	-	-	-	-	-	-	-	-
RSI	%	-	-	2.3	2.5	2.5	2.9	4.9	2.7	-	-	-	-	-	-	-	-	-	-	-	-	-
Central BB																						
Beneficiable	Mt	-	-	-	-	-	-	-	-	26.0	25.9	26.1	25.6	25.4	25.1	27.1	26.2	25.1	26.2	27.6	29.5	13.6
Product	Mt	-	-	-	-	-	-	-	-	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	4.8
Strip Ratio	x	-	-	-	-	-	-	-	-	1.5	1.7	1.6	1.4	1.5	1.1	1.2	1.1	1.4	1.0	1.2	1.3	2.0
TAA	%	-	-	-	-	-	-	-	-	40.5	40.4	40.3	40.3	39.9	40.9	40.8	40.6	39.8	40.6	40.2	40.5	39.9
RSI	%	-	-	-	-	-	-	-	-	2.6	2.5	2.6	2.5	2.4	2.5	2.7	2.5	2.1	2.5	2.6	2.5	2.4
Total																						
Product	Mt	5.0	5.0	5.6	15.0	15.0	15.1	14.4	15.8	15.0	15.0	15.0	15.0	15.0	15.0	15.0	10.1	10.0	10.0	10.0	10.0	4.8
TAA	%	42.1	42.1	41.1	41.5	41.5	41.4	41.4	40.7	40.7	40.8	40.2	40.7	40.1	40.3	40.6	40.6	39.8	40.6	40.2	40.5	39.9
RSI	%	1.8	1.8	1.6	2.2	2.2	2.6	4.1	2.8	2.8	2.6	2.6	3.0	2.4	3.2	2.6	2.5	2.1	2.5	2.6	2.5	2.4

19.2.3 Competent Person's Opinion

Mining Proficiency Group has reviewed the optimisation assumptions, RPEEE methodology and resulting production schedule, and considers them appropriate for a Scoping-level assessment and suitable for reporting in accordance with the JORC Code (2012).

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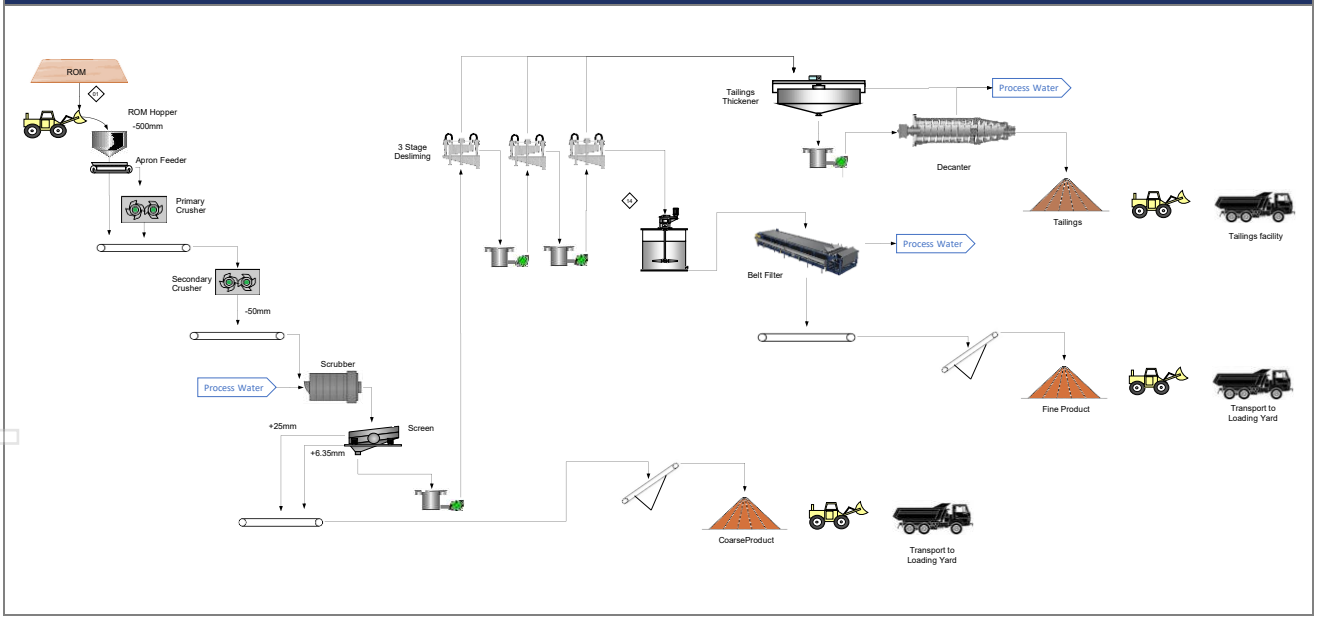
19.3 Southern Logistics Option - Processing & Recovery

19.3.1 Southern Logistics Option - Processing & Recovery Design

The conceptual beneficiation concept for evaluating the Southern Logistics option is a modular scrubbing and wet-screening process circuit, incorporating:

- Feed Preparation: ROM material will be crushed in two stages before being homogenised in dedicated stockpiles to ensure consistent feed through the plant.
- Washing and Disaggregation: Homogenised feed will be conveyed to washing lines where water-assisted disaggregation liberates clays and fine silicates. The material will pass through a combination of washing drums and screens to promote effective break-down of agglomerated particles.
- Screening and Classification: Following washing, the slurry will be processed through screening and cyclone stages to separate ore into coarse, fine, and superfine fractions. These steps maximise the recovery of alumina-bearing material while directing clay-rich slurries to tailings.
- Tailings Dewatering and Disposal: Clay slurries rejected during classification will be directed to thickeners and decanters, where solids will be densified before final disposal.
- Product Handling and Quality Control: Washed bauxite products will be dewatered via vibrating dewatering screens, weighed, and stockpiled by size fraction. Automated sampling systems located at key points in the circuit will ensure continuous quality control for alumina grade, reactive silica, and size consistency. Final product will be transported to port by truck and/or rail.

Figure 37: Simplified Process Flow



This process is well suited to Amargosa's near-surface bauxite mineralisation and low-clay feed, supporting low operating costs, minimal environmental impact, and rapid commissioning. The beneficiation plants are expected to operate adjacent to mining areas, allowing progressive mining and backfilling with minimal haulage. Planned follow-up testwork will further define optimum cut sizes, recoveries, and product specifications ahead of detailed engineering in the upcoming feasibility studies.

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19.3.2 Competent Person's Opinion

Mining Proficiency Group, as the Competent Person for processing, has reviewed the proposed beneficiation flowsheet, processing assumptions and recovery methodology and considers them appropriate for a Scoping-level assessment and suitable for reporting in accordance with the JORC Code (2012).

19.4 FIOL Rail Corridor Integration

The development concept adds a Central District rail load-out, a ~40 km spur to FIOL and a ~150 km link to the planned Porto Sul deep-water terminal. To assess feasibility and define engineering parameters, BRE engaged JM Souto to undertake a preliminary alignment and design study for a dedicated spur line connecting Amargosa to FIOL.

The JM Souto study established a technically feasible rail spur linking the Central District to the FIOL mainline near Jequié, providing a direct connection to the planned Porto Sul deep-water terminal. The alignment incorporates approximately 7 km of bridgeworks, 1.7 km of tunnelling, and balanced earthworks designed to minimise civil complexity. Rail yards of up to 2.5 km were included to accommodate 120-wagon consists, with drainage, crossings and viaduct profiles meeting Brazilian heavy-haul design standards.

BRE also assessed an alternative overland conveyor configuration for transferring material from the Central District to the FIOL corridor. While technically achievable, the capital requirement was significantly higher. Although operating costs were broadly comparable between the two concepts, the rail option demonstrated lower capital intensity, greater scalability and superior alignment with FIOL's regulated open-access framework.

Under the federal concession held by Bahia Mineração (Bamin), the FIOL Corridor operates on an open-access basis, with haulage tariffs set by Brazil's National Land Transport Agency and indexed to Brazilian inflation, providing transparent and predictable long-term transport economics.

The JM Souto assessment forms the basis of the capital and operating cost assumptions adopted in this Scoping Study and supports the conclusion that a dedicated Central District rail load-out and spur line connection to FIOL represents the most practical, scalable and cost-effective configuration for integrating Amargosa's production with the FIOL Corridor and the planned Porto Sul export terminal.

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19.5 Southern Logistics Option - Capital Cost Estimate

Capital cost estimates were developed from a combination of first-principles estimates, vendor quotations, and benchmark data from recent comparable bauxite and bulk commodity projects. All costs are presented in Q4 2025 US dollars, exclusive of escalation. The estimate reflects an intended accuracy of ± 35%, consistent with an AACE Class 5 scoping-level estimate. The estimate incorporates local Brazilian pricing where available, using an exchange rate of 5.7 BRL per USD. Sustaining capital allowances have been included for scheduled fleet replacement. Contingencies have been applied at 45%.

Figure 38: Southern Logistics Option - Capex

Capex to First Shipment	Units	
North - Initial Mining Fleet	US$ m	$22 m
North - Land, Access, Strip, Mobilisation	US$ m	$16 m
North - Truck Loading/Maintenance Stations	US$ m	$23 m
North - Trucking Fleet	US$ m	$28 m
Contingency (45%)	US$ m	$40 m
Total Capex to First Production	**US$ m**	**$130 m**
Deferred Capex		
Central - Mining Fleet, Land, Access, Mobilisation	US$ m	$42 m
Central - Truck Loading/Maintenance Stations	US$ m	$22 m
Central - Rail Terminal & Loadout	US$ m	$189 m
North - Beneficiation Plant	US$ m	$110 m
North - Additional Mining Fleet	US$ m	$47 m
Central - Beneficiation Plant	US$ m	$215 m
Central - Additional Mining Fleet	US$ m	$118 m
Contingency (45%)	US$ m	$335 m
Total Deferred Capex	**US$ m**	**$1,079 m**

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19.6 Southern Logistics Option - Operating Cost Estimate

Operating cost estimates were prepared using a combination of first-principles inputs, supplier quotations, and benchmarks from established bauxite producers in Brazil. Costs are presented in Q4 2025 US dollars, exclusive of escalation. The intended accuracy is ± 35%, consistent with an AACE Class 5 scoping-level estimate. An exchange rate of 5.7 BRL per USD has been applied.

Figure 39: Southern Logistics Option - Operating Costs

Bauxite Type	Units	DSB	Beneficiable
Trucked to Enseada (5 Mtpa)			
Mine Site - Mine & Haul	US$/dmt	$3.63	$8.79
Mine Site - G&A + Other	US$/dmt	$0.77	$0.77
Mine Site - Beneficiation	US$/dmt	-	$5.14
Logistics - Load & Truck to Port	US$/dmt	$6.59	$6.59
Logistics - Port Costs	US$/dmt	$12.18	$12.18
Logistics - Ocean Freight	US$/dmt	$24.71	$24.71
Total	**US$/dmt**	**$47.88**	**$58.17**
Rail to Porto Sul (10 Mtpa)			
Mine Site - Mine & Haul	US$/dmt	$2.21	$9.26
Mine Site - G&A + Other	US$/dmt	$0.70	$0.70
Mine Site - Beneficiation	US$/dmt	-	$3.86
Logistics - Load & Rail to Port	US$/dmt	$9.19	$9.19
Logistics - Port Costs	US$/dmt	$7.06	$7.06
Logistics - Ocean Freight	US$/dmt	$24.71	$24.71
Total	**US$/dmt**	**$43.86**	**$54.78**

19.7 Southern Logistics Option - Economic Analysis

19.7.1 Methodology

A discounted cash flow model has been developed to evaluate the economic potential of the conceptual Southern Logistics Option. The analysis is presented in real Q4 2025 US dollars and incorporates the capital and operating assumptions outlined in this Section 19. All results are shown on an unlevered basis and discounted at 8%.

19.7.2 Fiscal & Taxation Assumptions

The assumptions applied for the Southern Logistics Option are consistent with those applied in Section 18:

- CFEM Royalty: 3% of Brazil FOB Equivalent Revenue
- Rio Tinto Royalty: $1 per wet metric tonne of Product sold
- Depreciation is applied on a straight-line basis over the life-of-mine
- Corporate income tax rate of 15.25% (SUDENE Incentive)

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19.7.3 Southern Logistics Option - Project Economics

The main Project economic indicators are presented in Figure 40.

Figure 40: Southern Logistics Option - Economics

Pricing & Production	Units			
Bauxite Price	US$/dmt	Spot $71/t	CM $65/t	CM $80/t
First Production	yr	2029	2029	2029
Avg. Annual Production	Mtpa (dry)	12.0	12.0	12.0
Life of Mine	yrs	21	21	21
Life of Mine Production	Mt (dry)	251	251	251
Average Annual Financials				
Realised Price	US$/dmt	$68.89	$62.89	$77.89
Revenue	US$ m	$824 m	$752 m	$932 m
Royalties	US$ m	-$27 m	-$25 m	-$30 m
Operating Costs	US$ m	-$624 m	-$624 m	-$624 m
EBITDA	US$ m	**$173 m**	**$104 m**	**$278 m**
Tax	US$ m	-$16 m	-$9 m	-$32 m
Sustaining Capex	US$ m	-$6 m	-$6 m	-$6 m
FCF	US$ m	**$151 m**	**$89 m**	**$240 m**
Construction Capex				
Capex to First Production*	US$ m	**$130 m**	**$130 m**	**$130 m**
Economics				
Bauxite Price	US$/dmt	Spot $71/t	CM $65/t	CM $80/t
After-Tax NPV8%	US$ m	**$789 m**	**$191 m**	**$1,656 m**
After-Tax NPV10%	US$ m	$655 m	$146 m	$1,393 m
After-Tax IRR	%	58%	26%	92%
NPV8%/Capex Ratio	x	6.1x	1.5x	12.7x
FCF Margin	%	18%	12%	26%
Payback	yrs	1.4	na	0.9

*Includes 45% contingency.

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Figure 41: Amargosa After-Tax Real Cashflows, Spot Pricing (US$71/tonne)

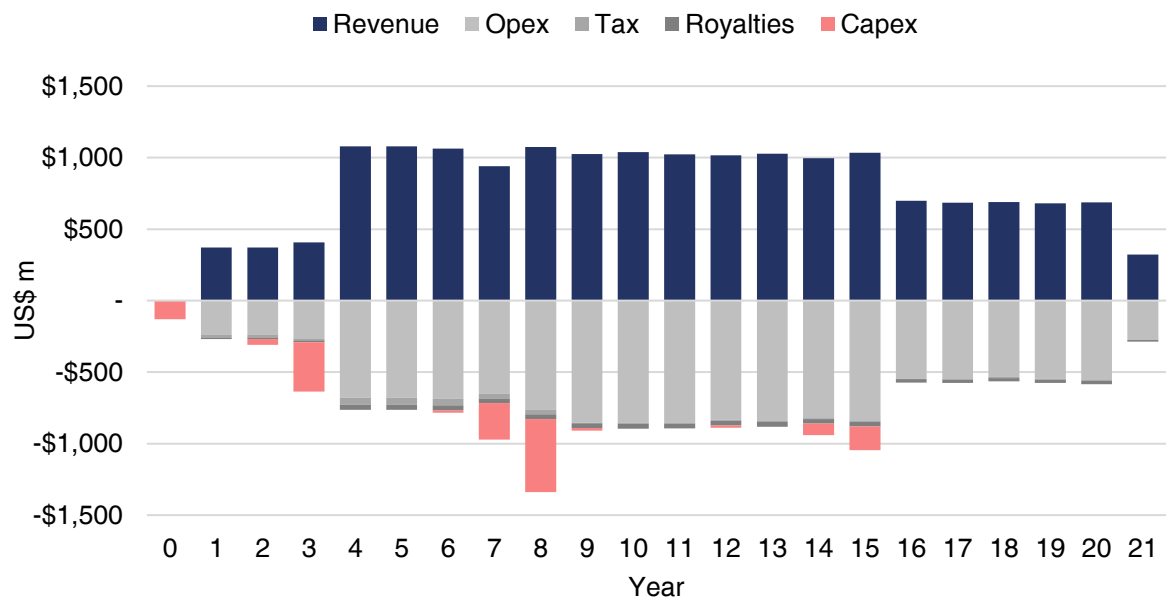
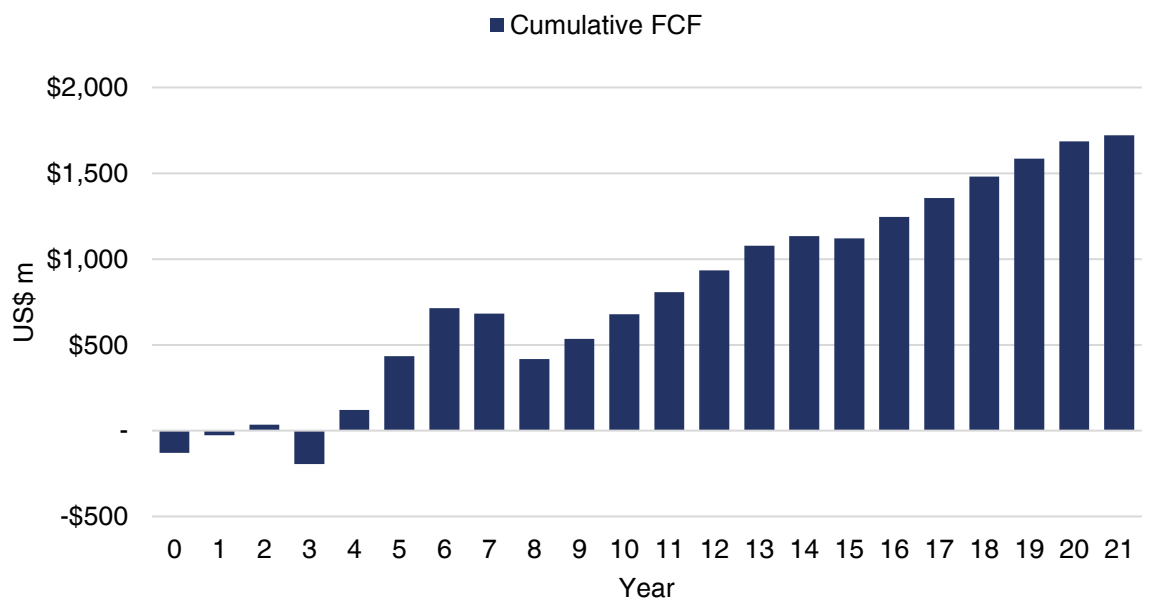


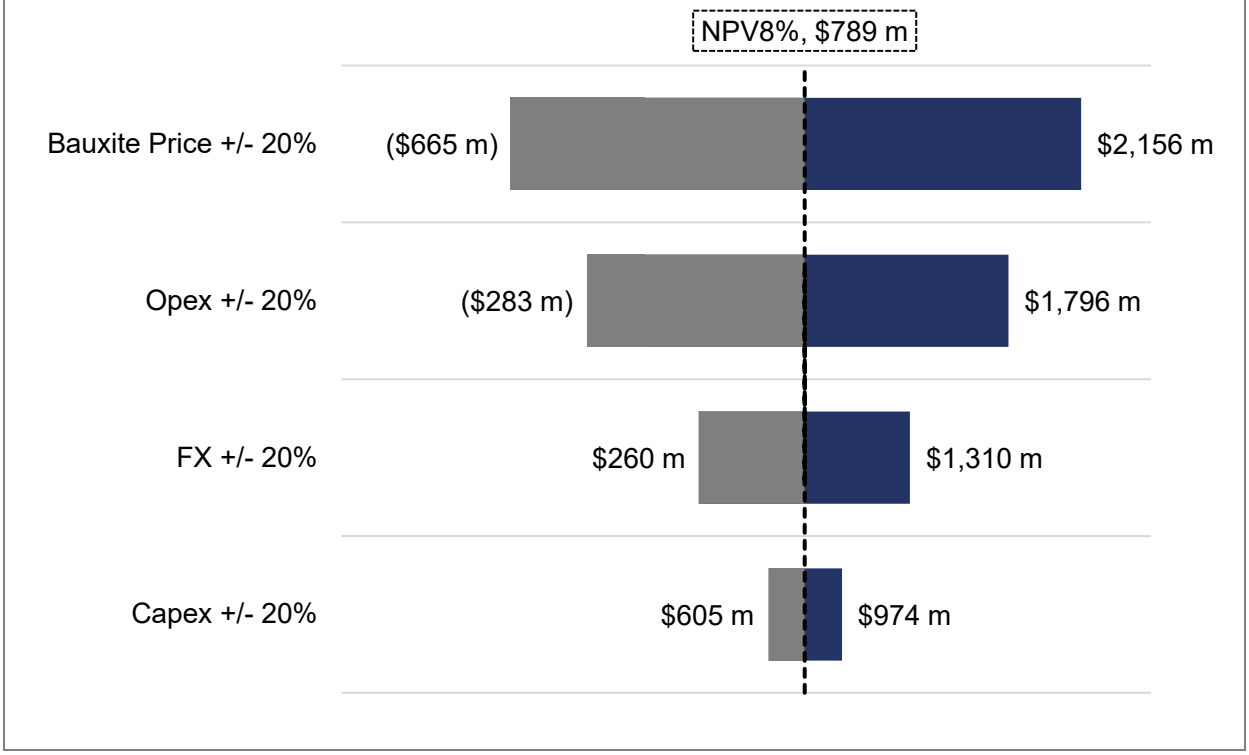
Figure 42: Amargosa After-Tax Real Cashflows, Spot Pricing (US$71/tonne)



19.7.4 Southern Logistics Option - Sensitivity Analysis

The Study has been designed to a conceptual level with a 45% contingency and an intended accuracy of ± 40%. Key inputs into the Study have been tested by pricing, capital cost, operating cost and foreign exchange rate sensitivities.

Figure 43: NPV8% (US$ m), Spot Pricing (US$71/tonne)



19.8 Southern Logistics Option - Conclusion

The Southern Logistics Option represents a potential future opportunity for Amargosa to achieve higher production rates by leveraging rail access via the FIOL Corridor and incorporating beneficiable bauxite into the long-term production profile.

While the Southern Logistics – FIOL Rail Option offers attractive long-term production scale and economic returns at higher bauxite prices, the 5 Mtpa DSB base case is a superior, lower-risk pathway to near-term development. The DSB development plan reduces execution risk, and the capital required for a rail spur, supporting infrastructure and bauxite washing/beneficiation plants.

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Appendix A: Gallium Market & Potential Co-Product Opportunity

Gallium Market Overview

Amargosa hosts a significant gallium endowment across its large-scale resource, with an average grade of 52 ppm Ga within the resource's direct ship component. Gallium is a critical element underpinning high-frequency communications, permanent magnets, defence systems, and advanced robotics. In permanent magnet metallurgy, small gallium additions refine grain structure, enhance corrosion resistance, and improve coercivity and thermal stability, which are attributes essential for compact, high-temperature traction and actuator motors.

Global gallium supply is currently dominated by China, which accounted for approximately 99% of production in 2024, primarily recovered as a by-product from its large alumina refining base. In contrast, the United States has no domestic production and remains 100% import reliant. Growing demand from semiconductor, defence, and opto-electronic industries, combined with recent Chinese export controls, has accelerated Western re-shoring initiatives, including:

- Alcoa/JOGMEC/Sojitz/US and Australian Governments (Australia): joint development to assess 100 tpa of gallium recovery from Western Australian alumina refineries; FID end-2025.
- Rio Tinto (Canada): collaboration with Indium Corp. and the Government of Québec to establish gallium recovery at the Vaudreuil refinery, targeting up to 40 tpa of production.
- Metlen (Europe): a €295 million investment in Aluminium of Greece (2025) includes 50 tpa gallium recovery capacity, designated as a Strategic Initiative under the EU Critical Raw Materials Act.
- Gramercy (USA): a $30m grant by the US Department of War for construction of a demonstration facility at the Gramercy Alumina refinery in Louisiana

Metlen Energy & Metal's 'Aluminium of Greece' Facility, Site of New Gallium Refinery



Argus a reports 4N gallium metal CIF Europe pricing of US$1,300-1,450/kg (9 Dec 2025), compared with US$250-300/kg in early 2023, reflecting a structural shift in non-Chinese pricing linked to trade restrictions, limited refining capacity, and strategic procurement by semiconductor and defence manufacturers.

Key factors behind the recent increase in the gallium price include:

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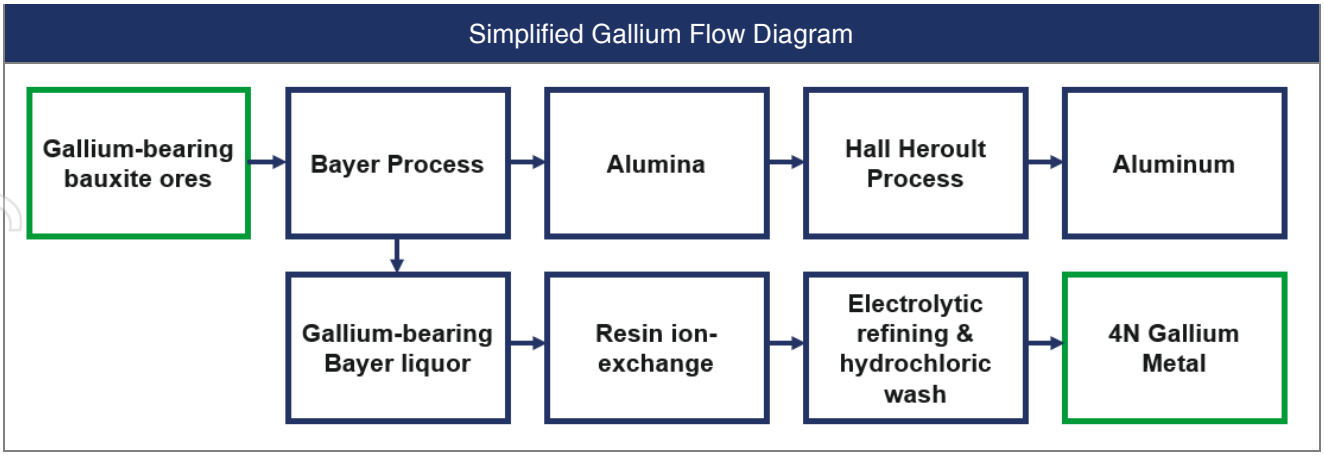
- Supply Concentration and Policy Risk: China's near-monopoly and successive export-licence regimes have sharply reduced export availability, creating regional scarcity and forcing Western buyers to pay premiums of 3 to 4x historical levels
- Strong Demand Growth: Global gallium demand has risen from 4 tonnes in 2005 to 335 tonnes in 2024, led by integrated circuits, and rare earth permanent magnets. Compound semiconductors such as gallium nitride and gallium arsenide underpin rapid growth in 5G/6G infrastructure, EV power electronics, and radar systems
- New Western Supply Sets Natural Floor Price: A techno-economic assessment covered in *Enhancing Supply Resilience for Critical Materials: Case Study of Gallium Supply in the United States* (Lawrence Berkeley National Laboratory & Carnegie Mellon University, 2025) estimates levelized production costs of US$420-510/kg for domestic gallium recovery from Bayer-liquor and zinc-residue routes
- Lack of Secondary Supply: Recycling is confined to semiconductor-plant scrap; there is effectively no end-of-life recovery, reinforcing primary-supply dependence
- Strategic Stockpiling and Geopolitical Tension: Government-backed stockpiles in the US, EU and Japan, combined with defence-sector procurement, have added further demand-side pressure



Source: Argus. Note: The Western Gallium price is quoted CIF Main Airport (Europe). The Chinese Gallium price is quoted FOB China and has been adjusted by US$9/kg to approximate landed cost. This freight and insurance estimate is based on typical China-to-Europe air-cargo rates of US $4-9/kg in 2025 (ChinaTopFreight "Air Freight from China to Europe - Prices, Transit Times & Services").

Potential Gallium Co-Product Opportunity

Gallium is hosted within aluminium hydroxide minerals and follows aluminium dissolution during the Bayer refining process. During digestion, typically 65 to 75% of contained gallium partitions into the sodium-aluminate liquor, while the balance reports to red mud residue. The dissolved gallium accumulates in the liquor circuit over multiple refining cycles and can be selectively recovered via ion-exchange and electro-electrowinning circuits integrated into existing refinery flowsheets.



Global supply is highly concentrated, and Western governments have initiated multiple programs to re-shore gallium production capacity. In October 2025, Alcoa announced a government-backed initiative with the United States and Australia to advance a 100 tpa gallium recovery plant at the Wagerup refinery under a Joint Development Agreement with JOGMEC and Sojitz – one of the first large-scale Western efforts to establish independent gallium supply outside China. Similar government-supported programs are emerging across the US, EU, and Japan, reflecting gallium's designation as a strategic and critical mineral.

These initiatives underscore a growing requirement for long-life, high-quality bauxite feedstocks capable of supporting Western gallium recovery. BRE expects Amargosa's bauxite—characterised by consistent grades, low deleterious elements, and large-scale mine life to be well positioned as refiners integrate gallium-recovery circuits and seek secure, non-Chinese supply alternatives.

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Appendix B: Summary of Modifying Factors and Material Assumptions

The Modifying Factors included in the JORC Code (2012) have been assessed as part of the Scoping Study, including mineral resources, mining, recovery, infrastructure, marketing, economic, social and environmental. The Company has received advice from appropriate experts when assessing each Modifying Factor. A summary assessment of each relevant Modifying Factor is provided below.

At this Scoping Study level, the Modifying Factors have been assessed to the extent appropriate for a study of this nature and, while further work is required, none of the Modifying Factors identified to date are considered likely to result in outcomes that would materially impact the overall Production Target or the conclusions of the Study.

Mineral Resources	The Mineral Resource estimate announced on 3 October 2025 underpins the outcomes of the Scoping Study. The estimate was prepared by a Competent Person in accordance with the requirements of the 2012 JORC Code, as set out in the Competent Person's Statement included within this announcement. The Company confirms that it is not aware of any new information or data that materially affects the information reported in that announcement, and that all material assumptions and technical parameters underpinning the Mineral Resource estimate continue to apply and have not materially changed.
Mining	The Company engaged independent consultants from SLR Consulting to undertake pit optimisations, mine design, scheduling, and waste disposal for the Amargosa Bauxite Project. The mine design is based on an open-pit configuration appropriate for shallow, lateritic bauxite deposits. Pit envelopes have been defined using the geological model, resource classifications and mining assumptions outlined in the Study. Preliminary pit designs have adopted configurations typical of comparable bauxite operations. These are considered adequate for the purpose of this Study but may require refinement in future studies to reflect local conditions and geometry. Bauxite will be excavated using conventional equipment and loaded into haul trucks for transport to district-level dispatch terminals, which also serve as stockpiling and grade-control points prior to transport to port. Overburden and waste removed during initial pit development will be placed in available backfill locations to progressively refill mined-out areas. Rehabilitation will restore soil conditions and return land to existing uses, including cacao cultivation, native forest, subsistence agriculture and small-scale cattle farming. Mine optimisation for the Scoping Study was completed using Whittle with a 20 × 20 × 3 m SMU, 2% dilution, 98% mining recovery and a 5 Mtpa production rate. These parameters reflect the favourable mining conditions, consistent geometry and low variability across the deposit, providing a basis for early-stage scheduling. The optimisation shells demonstrate continuity across multiple mining districts, supporting staged development and flexible pit sequencing in future study phases. Block-level economics were defined using a Net Smelter Return (NSR) approach accounting for bauxite quality (TAA, RSI and organic content), reference CIF China pricing, logistics and statutory charges. Nested pit shells were generated, and the revenue-factor-1 shell was selected to define the base case for scheduling. All mining costs in this Study assume an owner-operated mining and haulage model. Alternative mining methods were evaluated and will be reassessed during the PFS. No tailings storage facilities are required.

	The DSB Production Target for this Study is based on the exploitation of 86 Mt of direct ship bauxite at 41.4% TAA and 2.3% RSI. The DSB production schedule supports an estimated mine life of approximately 17 years. The schedule is based on approximately 89% of the DSB component being Indicated, providing a strong foundation for economic assessment. Based on the advice from the relevant Competent Persons, the Company has confidence that Inferred Resources will convert to Indicated with additional infill drilling. In the event that the remaining Inferred Resources are not upgraded, the Project's viability is not expected to be materially affected. A sensitivity analysis assuming mining of Indicated Resources only demonstrates that the Project would still be expected to generate positive economic outcomes.
Recovery	The Project is designed as a 5 Mtpa DSB operation producing export-grade direct ship gibbsitic bauxite that meets market specifications without a beneficiation plant. The recovery approach is based on dry handling of naturally high-quality ore, supported by two loading terminals that provide stockpiling capacity for heap drainage, moisture reduction and blending prior to dispatch. The consistent domains are expected to support predictable product quality and simple stockpile management. Metallurgical test work and particle-size analysis confirm that the DSB material is naturally suitable for direct shipping, with ~80% of material below 100 mm and no requirement for primary crushing, with any oversize managed operationally. Test work indicates that DSB material consistently achieves TAA ≥40% and RSI ≤3%, enabling a simplified flowsheet comprising mining, haulage, stockpiling and direct shipment to port. Natural moisture levels of 14–20% are further reduced through drainage at loading terminals and port stockyards.
Infrastructure	The Amargosa Bauxite Project benefits from proximity to established regional infrastructure, including highways, grid power, ports, and a future heavy-haul railway. The development strategy has been designed to maximise use of existing logistics corridors and minimise greenfield infrastructure requirements. <u>Roads and Haulage</u> The Project area is accessible by a network of maintained municipal and federal highways. Approximately 20 km of local municipal roads connect the North District to Federal Highway BR-101, a fully paved multi-lane corridor forming part of Bahia's principal logistics network. Haulage routes also incorporate BR-420 and BR-545, providing reliable, year-round access to Bahia's eastern ports. Direct ship bauxite will be trucked approximately 160 km from the North District to the Port of Enseada using 9-axle on-highway haulage configurations. Road logistics have been designed around existing, permitted public roads requiring minimal capital upgrades. <u>Enseada Deepwater Export Facility</u> The Port of Enseada, located 160 km northeast of Amargosa, is a privately operated industrial and bulk logistics complex originally developed by Kawasaki Heavy Industries. Over US$1 billion in prior investment has established proven export infrastructure, including berths, conveyors, and storage facilities. Amargosa currently plans to export 5 Mtpa of product via Enseada.

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BRE has executed a Memorandum of Understanding with the Port of Enseada to evaluate and advance commercial arrangements for bauxite export. The MoU covers end-to-end logistics including road haulage, stockyard and port handling, vessel loading, and regulatory approvals. Final agreements are expected within 2-3 years ahead of production from the North District.

Access Roads

The Project benefits from established regional access via BA-545 and BR-101, providing reliable, year-round connectivity. Targeted upgrades along key segments will support heavy haulage through formation strengthening, drainage improvements, erosion controls and dust-suppression measures suited to lateritic terrain. Internal mine roads will link active pits to both loading terminals and are designed for 50-tonne road trains, the preferred configuration for cost-efficient DSB haulage.

Stockpiling

Run-of-mine bauxite will be stockpiled in its natural state at both terminals. Stockpile pads are designed for grade-segregated stacking to manage ore domains and support blending, natural drainage to reduce moisture, and dust, sediment and runoff controls suited to tropical conditions. This minimises handling and maintains the simplicity of the DSB operating strategy.

Loading Terminals

Two dedicated loading terminals support phased mine development and optimise haulage distances. Terminal 1 in the North District will be the primary dispatch hub, incorporating a ~6.5 ha stockyard with ~160,000 t live capacity, low-profile stockpiles for natural drainage and blending, weighbridges, truck gates, workshops, tyre and mechanical bays, LNG refuelling facilities, and administrative, safety and control-room infrastructure. Terminal 2 in the Central District will be commissioned as mining begins there and replicates Terminal 1 to maintain uninterrupted dispatch. The dual-terminal strategy reduces haulage distances, supports flexible scheduling and provides redundancy.

Power Supply

Given the DSB-only configuration and absence of beneficiation or crushing circuits, power demand is modest and limited to lighting, communications, workshops, administration and utilities. Both terminals will connect to the regional grid, with diesel backup generators for critical systems. Indicative power demand is ~1 MW per terminal.

Fuel and LNG Supply

The haulage fleet will operate on LNG sourced from the regasification station at Ipiúna, trucked to both terminals and stored in on-site cryogenic tanks. Diesel will support ancillary mobile plant, emergency generators and light vehicles. Refuelling facilities at each terminal, supplemented by mobile refuelling along internal haul roads, ensure uninterrupted operations and align with the Project's low-intensity DSB configuration.

Water Supply

Water requirements are modest and relate to dust suppression, equipment cleaning and camp and office use. Prior studies confirm sufficient availability from local surface and groundwater sources under existing abstraction rights. Each terminal will include storage tanks, pumping systems and recycling measures to manage consumption and seasonal variability. No water storage dam or tailings infrastructure is required.

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	Communications Operations will be supported by VHF/UHF radio networks for mine control, cellular coverage with satellite redundancy, and IT systems for fleet management, logistics tracking and grade-management functions, providing reliable connectivity across the Project footprint. The Project's infrastructure concept is designed to leverage Bahia's established logistics corridors and utilities, providing a low-capital, low-risk development pathway that supports near-term direct ship exports.
Marketing	The Amargosa Project will produce a metallurgical-grade bauxite product suitable for alumina refineries supplying the global aluminium industry. Market analysis undertaken for the Scoping Study confirms that Amargosa's product characteristics align with key requirements of major importers, particularly China, which currently accounts for most of the seaborne bauxite demand. Product Characteristics The direct ship product is expected to grade approximately 41–42% TAA and <3% RSI, consistent with premium Guinean bauxites currently sold into Chinese refineries. The beneficiated product is expected to achieve similar alumina and silica grades, supporting long-term marketability across a range of refinery configurations. The bauxite's favourable available alumina to reactive silica ratio provide a strong basis for refinery acceptance. Market Context Global seaborne demand for metallurgical bauxite remains strong. Multiple Brazilian producers have established Brazil as a significant supplier of high-grade bauxite to Asia. Amargosa's location in Bahia State offers a major logistical advantage, with established road providing direct access to a deep-water export port. This proximity to port infrastructure enables efficient, low-cost shipping to key markets including China, India, and the Middle East. Pricing Basis BRE engaged CM Group, an independent bauxite and alumina market consultancy, to provide long-term price forecasts underpinning the $65/t and $80/t pricing assumptions used in the Scoping Study. CM Group's forecasts are based on proprietary global demand–supply and Value-in-Use models incorporating refinery feedstock requirements, quality adjustments, freight trends, and alumina capacity growth scenarios. Two price cases were adopted: ▪ Base Case: long-term price of US$65/t CIF China, reflecting a balanced market with stable supply from Guinea and Australia, steady alumina capacity growth across China and Southeast Asia, continued depletion of China's domestic bauxite reserves and normal freight and port operating conditions. ▪ Higher for Longer Case: long-term price of US$80/t CIF China, reflecting a scenario in which the Government of Guinea (GoG) more strictly enforces refinery-construction obligations under existing concession agreements, similar to the recent expropriation of the GAC mining permit. Under this scenario, the GoG mandates that exporters not committed to building alumina refineries in Guinea face restrictions to export volumes, resulting in a significant fall in Guinea's seaborne supply.

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	CM Group's Value-in-Use calculator was applied to the long-term price assumptions to determine Amargosa's realised price in the financial model, expressed in constant 2025 US dollars on a CIF China basis. Marketing Agreements and Outlook Preliminary market engagement has indicated interest from potential offtake partners and commodity traders seeking diversified, non-Guinean bauxite supply. BRE intends to advance marketing discussions in conjunction with PFS activities, focusing on securing long-term offtake agreements aligned with the Project's initial 5 Mtpa direct ship production profile. Amargosa is expected to benefit from rising global demand for secure and sustainable bauxite supply.
Economic	Capital and operating cost estimates for the 5 Mtpa DSB Northern Logistics base case were prepared by MIPTEC Engenharia & Consultoria Ltda. These estimates were developed using supplier quotations, first-principles inputs, benchmark data from comparable bulk-material operations in Brazil, and engineering quantities consistent with ±35% Scoping Study accuracy. Capital and operating cost estimates for the Southern Logistics Option (FIOL Rail Expansion) were prepared by Mining Proficiency Group, JM Souto and Tetra Tech. Given the conceptual level of engineering definition, greater reliance on assumptions and multi-party infrastructure, these estimates carry an intended accuracy of ±40%. All costs are presented in real Q4 2025 US dollars and exclude escalation, financing costs and working capital. BRL-denominated inputs were converted at 5.7 BRL/USD. Capital Cost Estimate The initial capital requirement for the 5 Mtpa DSB Northern Logistics base case is US$119 million, including a 35% contingency consistent with the ±35% accuracy classification. This capital covers mining fleet, mine development, truck loading and maintenance stations and initial trucking fleet requirements. Deferred capital for the Central District loading terminal and additional trucking fleet is US$63 million, also at ±35% accuracy. The Southern Logistics Option (FIOL Rail Expansion) reflects the inclusion of a Central District rail load-out facility, approximately 40 km of rail spur connecting to the FIOL corridor, and beneficiation/washing plants in both the North and Central Districts. The initial capital requirements is US$130 and the deferred capital requirements is US$1,079m These items include at 45% contingency and were costed at ±40% accuracy. Sustaining capital allowances were incorporated to cover fleet replacement over the mine life. Operating Costs Operating costs for the 5 Mtpa DSB Northern Logistics base case were developed from first principles and benchmarked against comparable Brazilian bauxite producers. The modelled average operating cost is US$48.73/t, incorporating mining, stockpiling, loading, road haulage, port handling and ocean freight. Operating costs for the Southern Logistics Option (FIOL Rail Expansion) reflect the inclusion of beneficiation circuits and rail haulage. Modelled average operating costs are US$52.14/t. The intended accuracy is ± 35%, consistent with an AACE Class 5 scoping-level estimate. Royalties, Tax and Fiscal Regime The economic analysis incorporates Brazil's CFEM Royalty of 3% of Brazil FOB Equivalent revenue, a $1 per wet metric tonne of product royalty payable to Rio Tinto, and the SUDENE incentive, which provides an income tax reduction of 75% for approved industrial and mining projects located in Brazil's Northeast region. For Amargosa, SUDENE represents a significant fiscal advantage, supporting Amargosa's competitiveness on a global cost basis while reinforcing the Brazilian government's commitment to stimulate investment and job creation across Brazil's Northeast region.

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Financial Model and Outcomes

A discounted cash flow model has been developed to evaluate the economic potential of the Amargosa Project. The analysis is presented in real Q4 2025 US dollars and incorporates the capital, operating, and pricing assumptions outlined in the Scoping Study. All results are shown on an unlevered basis and discounted in real terms at 8%. BRL-denominated capital and operating costs are converted at a USD/BRL rate of 5.7, a steady-state planning assumption supported by long-run historical averages and independent forecasts from major Brazilian and international banks.

5 Mtpa DSB Northern Logistics Base Case:

Bauxite Price	US$/dmt	Spot $71/t	CM $65/t	CM $80/t
After-Tax NPV8%	US$ m	$630 m	$403 m	$970 m
After-Tax NPV10%	US$ m	$545 m	$346 m	$843 m
After-Tax IRR	%	82%	59%	114%
Payback	yrs	1.2	1.5	0.9

Southern Logistics Option (Conceptual FIOL Rail Expansion):

Bauxite Price	US$/dmt	Spot $71/t	CM $65/t	CM $80/t
After-Tax NPV8%	US$ m	$789 m	$191 m	$1,656 m
After-Tax NPV10%	US$ m	$655 m	$146 m	$1,393 m
After-Tax IRR	%	58%	26%	92%
Payback	yrs	1.4	na	0.9

The key material assumptions underpinning the economic evaluation of the Amargosa Bauxite Project are summarised below. These assumptions form the basis of the discounted cash-flow analysis presented in the Scoping Study.

Funding & Financial Advisory

BRE intends to advance the Amargosa Project toward construction readiness in 2028 and production in 2029. The Company's financial advisory firm, Petra Capital, provided independent advice regarding project economics, funding strategy, and capital-raising alternatives. Petra possesses extensive experience in mining, resources and other sectors.

Following the assessment of key criteria, Petra has confirmed that, on the basis that a definitive feasibility study arrives at a result that is not materially worse than the Scoping Study, as noted above, BRE should be able to raise appropriate funding to develop the Project. Petra has come to this view by examining a range of relevant aspects that may influence funding. These include:

	▪ The favourable strategic setting for the specific commodities prevalent at the Amargosa Project; ▪ Recently completed funding arrangements for similar development projects; ▪ The range of potential funding options available; ▪ The potential economics forecast for the Project; and ▪ The funding track record of the BRE Board and management team. An assessment of various funding alternatives available to BRE has been made based on precedent transactions that have occurred in the mining industry, including an assessment of alternatives available to companies that operate in the bauxite/alumina/aluminium sector. The assessment and advice from Petra indicate that, given the nature of the Project, funding is likely to be available from a combination of equity funds, debt (from commercial banks or non-bank lenders) and offtake backed funding agreements. No funding arrangements have yet been put in place at this stage of project development. The composition of the funding arrangements ultimately put in place may also vary, so it is not possible at this stage to provide any further information about the composition of potential funding arrangement.
Social and Environmental	Environmental, permitting, and social considerations have been integrated into the Amargosa Bauxite Project's development strategy. The Project has been designed to minimise its physical footprint, leverage existing road and port infrastructure, and ensure compliance with Brazilian environmental and community-relations standards. Environmental and social information for the Amargosa Project draws on extensive baseline studies completed by Rio Tinto between 2008 and 2016, which provide robust regional-scale characterisation of climate, hydrology, vegetation, terrestrial fauna, land use and conservation areas. While directionally reliable, these studies will be supplemented by updated, project-specific baseline work to meet Bahia State's SEIA/EIA requirements during the next phase of permitting. <u>Environmental Setting and Permitting</u> The Project lies within the Atlantic Forest biome, an ecologically biodiverse region that will influence planning and permitting requirements. No material environmental red flags have been identified to date, and opportunities for biodiversity enhancement exist and will be evaluated through future studies. Environmental licensing will be administered by Bahia's Instituto do Meio Ambiente e Recursos Hídricos (INEMA) and will follow the State's standard three-stage process: Licença Prévia (LP), Licença de Instalação (LI) and Licença de Operação (LO). Updated baseline datasets covering flora, fauna, hydrology, groundwater, climate, land use and ecosystem services will support preparation of the EIA and associated stakeholder consultations. <u>Environmental Management</u> The Project development and operating plan – shallow, low-strip-ratio truck-and-shovel mining, progressive rehabilitation, low water demand and no wastewater discharge – is inherently low impact and aligns with regulatory expectations for lateritic mining in Bahia. Mining will proceed in short-duration

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panels, allowing overburden to be progressively returned and landforms re-established. No tailings storage facility or permanent waste-rock dump is required under the 5 Mtpa DSB development pathway.

The Project is located within the De Contas River basin, intersecting four left-bank sub-basins. Historical hydrological assessments classify surface waters as Class 2 under CONAMA Resolution 357/05, while groundwater occurs within a fissured crystalline aquifer system that is typically saline with elevated total dissolved solids. Future studies will refine these assessments to inform mine-water management planning. Standard controls – including sedimentation structures, diversion drains, and water-quality monitoring – will be incorporated into the Project design to prevent offsite impacts.

Community and Social Development

Stakeholder engagement has been ongoing since the commencement of exploration activities, including interactions with landowners, community associations and municipal representatives. This engagement has supported preparation for updated environmental and social baseline campaigns and has informed early permitting pathways.

Feedback received to date has been constructive, with local communities recognising the Project's potential to generate long-term employment and stimulate regional economic activity. A Community Engagement and Development Plan (CEDP) will be advanced through the next phase of studies. This plan will establish frameworks for ongoing consultation, workforce training, local-procurement initiatives, grievance management and community-investment programs, in coordination with municipal authorities.

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5 Mtpa DSB Base Case - Material Assumptions				
	Units	Spot $71/t	CM $65/t	CM $80/t
Pricing & Financial				
LT Bauxite Price	US$/t	Spot $71/t	CM $65/t	CM $80/t
Discount Rate	%	8% & 10%	8% & 10%	8% & 10%
USD/BRL	x	5.7	5.7	5.7
Study Overview				
Life of Mine	yrs	17	17	17
Cost and Pricing Basis	-	2025 US$	2025 US$	2025 US$
Currency	-	USD	USD	USD
Study Accuracy	-	±35%	±35%	±35%
Production				
Total Resource Mined	Mt	86	86	86
% Prod. Target Indicated	%	89%	89%	89%
% Prod. Target Inferred	%	11%	11%	11%
Annual Avg. Production	Mtpa	5.1	5.1	5.1
LOM Avg. TAA Grade	%	41.4%	41.4%	41.4%
LOM Avg. RSI Grade	%	2.3%	2.3%	2.3%
Mining Recovery	%	98%	98%	98%
Costs				
Upfront Capital Cost	US$ m	$119 m	$119 m	$119 m
Deferred Capital Cost	US$ m	$63 m	$63 m	$63 m
Operating Cost	US$/dmt	$48.73	$48.73	$48.73

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