

ASX ANNOUNCEMENT

17th September 2025

EXPLORATION ON HIGHLY PROSPECTIVE RARE EARTH ASSETS TO COMMENCE IN SEPTEMBER

Key Highlights

- Exploration team to be mobilised and commence on site at Adriano on 27 September, with Fotinho to follow after Environmental approvals, expected in late October.
- Adriano's early sampling confirmed outstanding results: 100% of stream sediment samples were anomalous in REEs, 74% above 1,000 ppm TREO and a peak grade of 3.24% TREO.
- Magnete REEs (MREEs)(Nd, Pr, Dy, Tb) represent ~22% of TREO – high-value component.
- Fotinho tenement sits directly alongside Adriano, with exploration on site commencing late-October, targeting a strong, district-scale REE corridor that extends across both tenements.
- Program to run 8 weeks, results expected in February 2026.
- JV with Sinowin Lithium advancing towards production.

MRG Metals Limited (“MRG” or “the Company”) (ASX: MRQ) will commence exploration activities on its 100% owned rare earth element (REE) projects in Mozambique from late September 2025.

The program will begin at the Adriano Licence (11002L), where initial stream sediment sampling returned anomalous rare earth results in every sample, with 74% exceeding 1,000 ppm total rare earth oxides (TREO), and a strong magnet presence (**refer ASX Announcement 17 October 2024**). These outstanding results confirm Adriano as a highly prospective discovery area.

Exploration will then extend to the Fotinho Licence (11000L) in mid-October 2025. Fotinho sits directly adjacent to Adriano, combining with it to form a large drainage catchment with demonstrated REE and thorium potential.

Next Steps:

- **Adriano Licence (11002L):** Mobilisation scheduled on 27 September 2025, with exploration commencing immediately thereafter. Follow-up work will include auger drilling in areas of highly anomalous REE stream sediment results to test for potential alluvial REE deposits, soil sampling and mapping of primary targets, and mineralogical and metallurgical studies.

- **Fotinho Licence (11000L):** Field activities scheduled to commence in late-October 2025, with the same team moving over from Adriano. Initial work will involve stream sediment sampling, followed by soil sampling, mapping and outcrop sampling over primary exploration targets already identified from historical results.
- **Program Duration:** Approximately 8 weeks, including auger drilling, stream sediment and soil sampling, mapping, and mineralogical studies.
- **Assay Results:** Samples to be dispatched in December/January, with results expected for February/March 2026.

Program Objectives

The upcoming exploration program is designed to:

- Confirm and build upon the outstanding early sampling results at Adriano.
- Test for potential alluvial REE mineralisation zones through auger drilling.
- Define and prioritise primary REE and thorium targets at Fotinho.
- Collect data to support future drilling campaigns, metallurgical studies, and resource definition.
- Assess the broader district-scale potential across the combined Adriano–Fotinho corridor.

Adriano Highlights

- All 42 first-pass stream sediment samples returned anomalous REE results.
- 74% of samples contained more than 1,000 ppm TREOs.
- Peak result recorded at 32,393 ppm TREO (3.24%).
- MREEs (Nd, Pr, Dy, Tb) represent ~22% of TREO content.
- Zirconium oxide (ZrO₂) levels above 1.35%.
- Mineralogical work confirmed the presence of monazite and zircon.
- Evidence indicates potential for both hard-rock and alluvial mineralisation.

Magnetic Rare Earths – Key Drivers of Value

According to McKinsey & Company, demand for rare earth elements is set to triple over the next decade, driven by the global energy transition. REEs comprise 17 elements, with four key magnetic REEs—neodymium (Nd), praseodymium (Pr), dysprosium (Dy), and terbium (Tb)—most commonly used in high-performance magnets.

While MREEs represent around 30% of total REE volume, they account for more than 80% of the overall market value. Global demand for these MREEs is projected to rise from 59 kt in 2022 to 176 kt in 2035, fuelled by surging electric vehicle adoption and expansion of renewable energy capacity in wind turbines

(Source: [McKinsey & Company, Powering the energy transition's motor: Circular rare earth elements, July 24, 2025](#)).

Joint Venture and Portfolio Development

This program follows MRG's recent successful capital raising and the fully funded 2-billion-tonne Mozambique Heavy Mineral Sands Projects with Sinowin Lithium.

Together, these initiatives provide a clear pathway to initial production of 110,000 tonnes per annum of heavy mineral concentrate within 12–18 months, while positioning the Company to unlock further value from its rare earth assets.

The joint venture with Sinowin Lithium continues to progress, with both parties operating as though the Corridor Central and Corridor South licences had already been transferred into the JV entity.

While final Mozambican Government approval is still pending, Sinowin has already contributed a significant proportion of the first US\$3 million tranche of Sinowin's US\$6 million commitment.

The JV is therefore moving steadily towards production, with a more detailed update to shareholders to be provided shortly.

This announcement has been authorised by the Board.

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