

Letter to Shareholders

ABx Group Limited (ASX: ABX) ("ABx" or "the Company") provides the attached Letter to Shareholders for release to the market. The letter has been dispatched to shareholders via the Company's share registry.

This announcement is approved for release by the board of directors.

For further information please contact:

Dr Mark Cooksey

MD & CEO

ABx Group

+61 447 201 536

mcooksey@abxgroup.com.au

www.abxgroup.com.au

Media

Chapter One Advisors

David Tasker / Alex Baker

+61 433 112 936 / +61 432 801 745

dtasker@chapteroneadvisors.com.au

abaker@chapteroneadvisors.com.au



For more information, please join ABx Group's interactive [Investor Hub](#)
ABx Group Limited

Suite 2, Level 11, 385 Bourke St, Melbourne VIC 3000, Australia
ABN 14 139 494 885 | P: +61 3 9692 7222 | F: +61 2 9956 7355



21 October 2026

Dear Shareholder

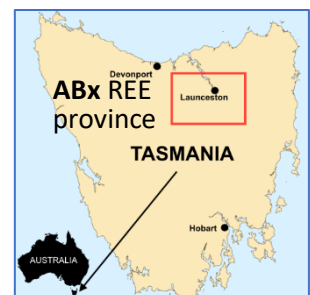
I am writing to thank you for your investment in ABx and to summarise the exciting future ahead for your company. ABx continues to receive outstanding support, with many patient, long-term shareholders who are optimistic about our exceptional prospects. For our newer shareholders, I encourage you to engage with our announcements and news via the interactive Investor Hub: <https://abxgroup.com.au/auth/signup>.

Recently, we conducted a share placement to raise approximately \$2.1 million, including \$1.0 million from our strategic partner Good Importing International. We are now conducting a fully underwritten share purchase plan to raise \$2.0 million, which closes on Friday 23 October. This is to provide existing shareholders the opportunity to invest in ABx on the same terms as the placement.

We are committed to the rare earths and ALCORE fluorine projects because there is outstanding commercial potential and ABx has a competitive advantage. Our ambition is to establish commercial projects, encompassing mines and processing plants, to deliver value to shareholders. Everything we do is aligned with this goal.

Rare Earth Elements (REE)

In 2023 ABx confirmed that it had discovered the 50 km wide northern Tasmanian rare earths province, which are nationally and internationally significant deposits of these critical minerals. ABx's exploration team has commenced expanding this rare earths province with a large ongoing drilling program continue into Q1 2027.



ABx has 10 tenements covering almost 1,000 km², which are less than 10% explored. In two of the tenements, ABx has estimated 89 million tonnes of rare earth resources from only 29% of the target zone in just those two tenements, as reported to the ASX on 2 May 2024.

Our vision is to produce a mixed rare earth carbonate (MREC), initially from the Deep Leads project in Tasmania, and supply this to separation plants in Australia and internationally. The Deep Leads resource has a unique combination of features:

- **It is ionic:** this type of mineralisation is conducive to low operating and capital cost, which reduces risk and dramatically shortens the time to production
- **It has a high proportion of heavy rare earths:** these are more valuable than light rare earths and supply is dominated by China. For example, terbium sells for over \$1 million per tonne in China and over \$10 million per tonne in Europe. Heavy rare earths are essential for high temperature permanent magnets used in robots, electric vehicles and defence applications
- **It is securely located in Australia:** it is in a commercial pine forest plantation, which is an enabler to secure regulatory approval

ABx has received significant interest from many potential rare earth customers. We have distributed samples of MREC produced from Deep Leads to six potential offtake partners in Australia and North America for evaluation. All feedback to date has been highly positive. The Australian and US governments are encouraged by our close relationships with customers, which can include ABx's MREC into their strategically important supply chains.

ALCORE

Our vision is to construct a plant in Australia to produce 20,000 tonnes per year of hydrogen fluoride, which would be the first hydrogen fluoride production in Australia for over 30 years. Our internal analysis, supported by external experts, indicates that ALCORE would be in the lowest quartile globally for hydrogen fluoride production cost.

Hydrogen fluoride has several direct applications, such as graphite purification and semi-conductor manufacture, and it is used to produce the wide range of fluorine chemicals, such as battery chemicals, aluminium fluoride, refrigerants and polymers. An ALCORE plant in Australia will substantially increase the supply chain security for our economy, improve the competitiveness of Australia's aluminium industry and enable new Australian start-up businesses in several sectors.

ALCORE has first mover advantage globally and we are engaged with many prospective international customers and investors. Our continuous pilot is under construction in Bell Bay, Tasmania, in a facility leased from Rio Tinto and with the support of the Federal and Tasmanian governments. Commissioning is scheduled for Q2 2027.

The pilot plant will:

- Contribute to the selection of reactor designs and process conditions for the larger-scale commercial plant, and
- Produce saleable hydrogen fluoride for evaluation by customers.



Bauxite

Our bauxite resources remain compelling opportunities. Our partnership with Good Importing International for the Sunrise project in Queensland has seen ABx secure funds to develop the project, while retaining exposure to future revenue and profit.

Summary

The ABx projects are complementary and provide multiple opportunities to achieve commercial production and deliver value to shareholders. Success requires intelligence, discipline, creativity and persistence. And, considering our upcoming milestones, I firmly believe we are on the right path.

For those that don't know me, before ABx I had extended experience in Rio Tinto's aluminium division and CSIRO, Australia's national science agency. My entire career has involved developing and delivering projects in the minerals sector, and I am enthusiastic about the future of ABx.

With major achievements on the horizon, I'd like to again thank you for your support and I encourage all shareholders to be closely engaged. I encourage people to contact us, whether via phone, email or our interactive [Investor Hub](#), should you have any questions about our progress or strategy.

Yours faithfully,



Mark Cooksey
Managing Director and CEO
ABx Group