AXEL SECURES CLEARANCES FOR MINAS GERAIS' FIRST RARE EARTH IN SITU RECOVERY FIELD PROGRAMME

State environmental licensing exemption and water-use registration secured

Highlights

- **Axel's Woolrich ISR field programme – the first known of its kind in Minas Gerais – is exempt from State environmental licensing, clearing the way to proceed**
- **Three-year water-use registration secured from IGAM for the field programme**
- **Moves Axel's ISR testing from the laboratory to the field, a key step towards potential low-impact rare earths production**
- **The programme will trial magnesium sulphate ISR – the proven leaching approach used for ionic clay rare earth production in China and southeast Asia**
- **Woolrich hosts a 264.6Mt Mineral Resource at 1,101ppm TREO, including a 110.1Mt Indicated Resource – just one of four deposits within Caladão's 708.6Mt global resource in Brazil's Lithium Valley**

Axel REE Limited (ASX: AXL, FSE: HN8, Axel or **the Company**) is pleased to announce that it has secured two regulatory clearances for its planned inaugural in situ recovery (**ISR**) field programme at the Woolrich rare earth elements (**REE**) deposit, part of the Company's 100%-owned Caladão Rare Earth Elements and Gallium Project in Minas Gerais, Brazil.

The Jequitinhonha Regional Environmental Regularisation Unit of the Minas Gerais State Department of Environment and Sustainable Development (**SEMAD**) has issued a Certificate of Exemption from Environmental Licensing. This confirms that the proposed REE leaching research at Caladão is not subject to State environmental licensing under COPAM Normative Deliberation No. 217/2017.

The Instituto Mineiro de Gestão das Águas (**IGAM**) has also issued a Certificate of Registration for Insignificant Water Use for the Woolrich field programme, for a period of three years.

Receipt of both clearances marks an important step in advancing Axel's planned Woolrich ISR field programme.

Axel REE Managing Director, Dr Patience Mpofu, commented:

"Securing the environmental licensing exemption and water-use registration is an important milestone for Axel and for our Caladão development strategy.

"With these in hand, we can progress the planned Woolrich ISR field programme, where we will evaluate magnesium sulphate-based in situ recovery on our ionic rare earth mineralisation in the field rather than in the laboratory.

"We are advancing Caladão step by step, and the field programme results will generate important technical data to inform future ISR operations."

Regulatory milestone for Woolrich ISR field programme

The planned Woolrich ISR programme is intended to evaluate the performance of magnesium sulphate-based ISR under controlled field conditions.

The planned programme will seek to generate site-specific technical information to support the assessment of ISR performance, including solution movement through the mineralised regolith and the recovery of REE-bearing solutions.

The clearances support Axel's progression from laboratory-scale metallurgical investigations to field-scale evaluation of ISR under representative conditions.

The exemption applies to State environmental licensing. Axel remains responsible for obtaining any other authorisations that may be required, such as approvals relating to permanent preservation areas or vegetation clearance, and for confirming any municipal requirements.

Woolrich - Caladão's priority ISR development pathway

Woolrich is the Company's priority deposit for the development and field validation of its proposed magnesium sulphate ISR pathway.

The deposit hosts a JORC (2012) Mineral Resource Estimate of **264.6Mt at 1,101ppm TREO**, including a maiden **110.1Mt Indicated Mineral Resource at 1,073ppm TREO** (ASX release 24 September 2026).

The upgraded Woolrich resource provides the geological basis for the next phase of technical work and field-scale testing.

Woolrich is one of four defined rare earth deposits within the Caladão Project, which hosts a **global Mineral Resource Estimate of 708.6Mt at 1,443ppm TREO**.

The planned ISR field programme forms part of the Company's strategy to assess the potential application of magnesium sulphate leaching to Woolrich's ionic adsorption clay REE mineralisation.

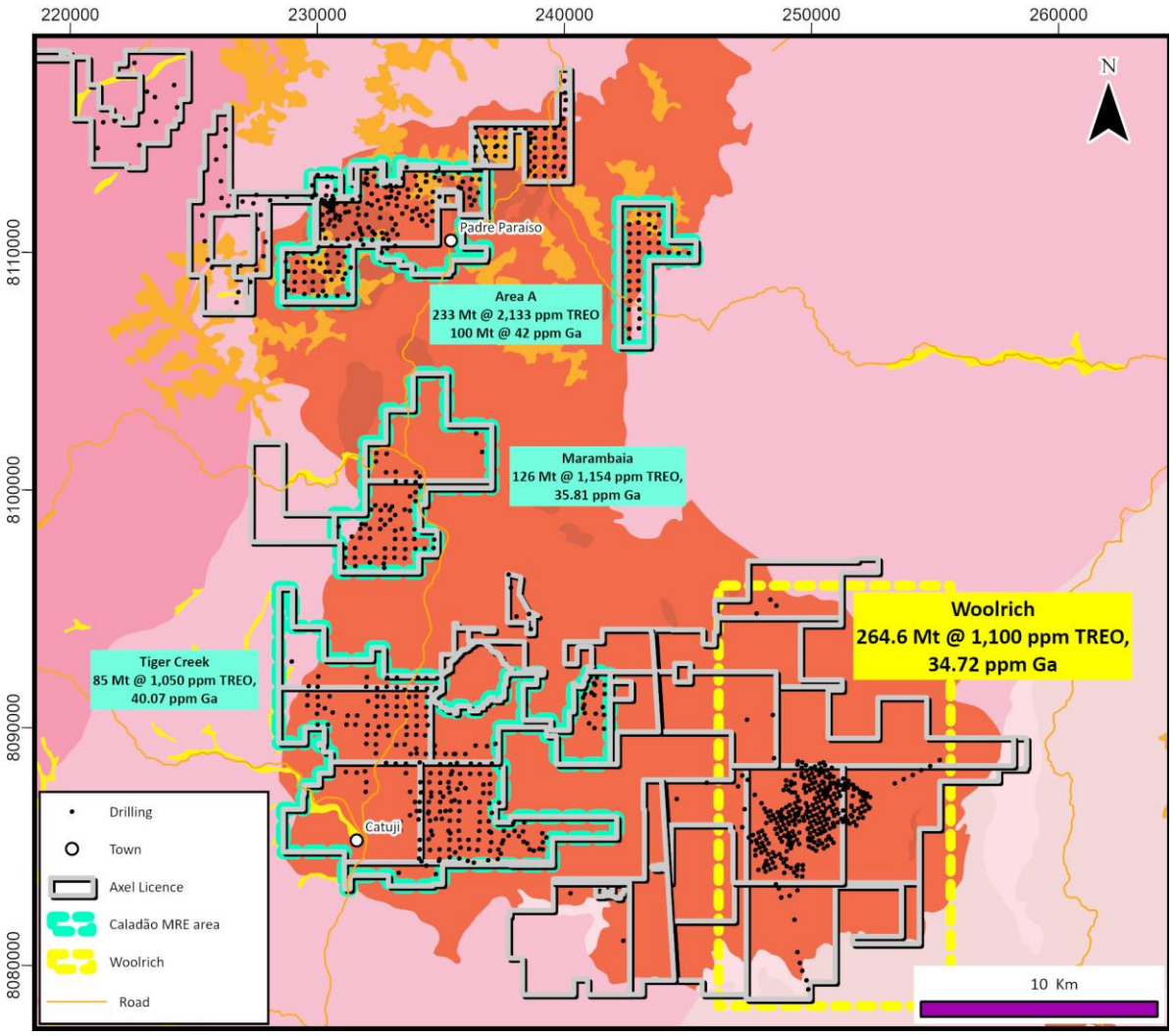


Figure 1. Caladão Project showing the four defined Mineral Resource deposits, highlighting the Woolrich deposit.

This announcement was authorised by the Board of Directors.

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About Axel REE

Axel REE is a critical minerals exploration company which is primarily focused on developing the Caladão REE-Gallium and Caldas REE Projects in Brazil, the second largest country globally in terms of REE reserves.

Axel is advancing a modular development concept at Caladão based on in situ recovery (**ISR**) of ionic clay-hosted rare earth mineralisation using magnesium sulphate leaching. This approach aims to minimise surface disturbance and capital intensity by deploying modular hydrometallurgical plants within wellfields. In parallel, Axel is progressing metallurgical programmes to unlock additional value from gallium and scandium within the near-surface oxidised profile.

Deposit	JORC Category	Tonnes (Mt)	TREO (ppm)
Caladão Area A	Inferred	233.00	2,133
Marambaia	Inferred	126.07	1,154
Tiger Creek	Inferred	85.00	1,050
Woolrich	Inferred	154.51	1,120
Woolrich	Indicated	110.08	1,073
Total Caladão	**Inferred**	**598.51**	**1,512**
Total Caladão	**Indicated**	**110.08**	**1,073**
Total MRE	**Inferred + Indicated**	**708.6**	**1,443**

Global REE Mineral Resource Estimate at the Caladão Project, Minas Gerais

Deposit	JORC Category	Tonnes (Mt)	Gallium (ppm)
Caladão Area A	Inferred	100.00	42.23
Marambaia	Inferred	126.07	35.80
Tiger Creek	Inferred	85.02	40.10
Woolrich	Inferred	154.51	34.48
Woolrich	Indicated	110.08	35.05
Total Caladão	**Inferred**	**465.60**	**37.53**
Total Caladão	**Indicated**	**110.08**	**35.05**
Total MRE	**Inferred + Indicated**	**575.68**	**37.05**

Global Gallium Mineral Resource Estimate at the Caladão Project, Minas Gerais

Refer AXL release 24 September 2026, "Caladão Project's Global REE Resource Grows to 0.71 billion Tonnes Following Woolrich Resource Upgrade Drilling" for further information.

The Company confirms that it is not aware of any new information or data that materially affects the Mineral Resource Estimates reported in the ASX announcement dated 24 September 2026, and that all material assumptions and technical parameters underpinning those estimates continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original announcements.

Forward Looking Statement

This announcement contains projections and forward-looking information that involve various risks and uncertainties regarding future events. Such forward-looking information can include without limitation statements based on current expectations involving a number of risks and uncertainties and are not guarantees of future performance of the Company. These risks and uncertainties could cause actual results and the Company's plans and objectives to differ materially from those expressed in the forward-looking information. Actual results and future events could differ materially from those anticipated in such information. These and all subsequent written and oral forward-looking information are based on estimates and opinions of management on the dates they are made and expressly qualified in their entirety by this notice. The Company assumes no obligation to update forward-looking information should circumstances or management's estimates or opinions change.