AXEL REE

HIGH GRADE REE UP TO 7,099PPM TREO FROM FIRST BATCH OF ASSAYS RECEIVED AT POÇOS DE CALDAS

HIGHLIGHTS:

- First batch of assay results received for Caldas Project at the Poços de Caldas Alkaline Complex with exceptional concentrations of rare earth elements (**REE**) and high-value neodymium and praseodymium (**NdPr**) and dysprosium and terbium (**DyTb**)
- Confirmed high-grade project area with all of the initial auger drill holes returning excellent results and all ending in high-grade mineralisation indicating continuity at depth:

CAL-AUG-001:		**11m @ 3,273ppm TREO** (847ppm NdPr, 47ppm DyTb) **from surface**
	including	**1m @ 7,099ppm TREO** (2,310ppm NdPr, 136ppm DyTb), *ending with* **3m @ 5,609ppm TREO** (1,821ppm NdPr, 108ppm DyTb)
CAL-AUG-002:		**12.7m @ 2,222ppm TREO** (530ppm NdPr, 35ppm DyTb) **from surface**
	including	**1m @ 3,033 ppm TREO** (873ppm NdPr, 60ppm DyTb) *ending with* **8m @ 2,602ppm TREO** (725ppm NdPr, 47ppm DyTb)
CAL-AUG-003:		**20m @ 3,082ppm TREO** (805ppm NdPr, 48ppm DyTb) **from surface**
	including	**1m @ 6,536ppm TREO** (1,935ppm NdPr, 143ppm DyTb) *ending with* **11m @ 3,699ppm TREO** (1,062ppm NdPr, 68ppm DyTb)
CAL-AUG-004:		**9m @ 1,782ppm TREO** (321ppm NdPr, 24ppm DyTb) **from surface**
	including	**1m @ 2,654 ppm TREO** (695ppm NdPr, 43 DyTb) *ending with* **3m @ 2,309ppm** (588ppm NdPr, 35ppm DyTb)

- Significant concentrations of high-value magnet rare earth oxides (**MREO**) up to 36% of TREO (CAL-AUG-001) and averaging 24% across all samples received to date
- Auger drill program continuing to further define the extent and continuity of mineralisation
- Assay results progressively returning and will be reported to market as batches arrive
- Significant progress at the Caladão Project in the Lithium Valley with up to 77 holes of combined auger and diamond drilling completed, batch samples sent to lab

Axel REE Limited (**ASX: AXL, "Axel"** or **"the Company"**) is pleased to announce the first batch of auger assay results from the Caldas Project, located in the world class Poços de Caldas Alkaline Complex in Minas Gerais South, Brazil.

Managing Director, Dr Fernando Tallarico, said:

> *"We are extremely pleased with our initial auger drill assay results showing high-grade TREO from our Caldas project within the Poços de Caldas Alkaline Complex. This first batch demonstrates the significant surface mineralisation of our project area and underscores the discovery potential of the project area.*
>
> *The most exciting aspect of these initial results is that all holes returined increasingly high-grade TREO mineralisation at end of hole, which, similar to that of our peers at the Poços de Caldas, demonstrates the significant potential for a discovery zone at depth.*
>
> *In addition, this is just the first batch as we expect to progressively receive auger results from our Caldas Project as well as diamond drill results at our Caladão Project in the Lithium Valley."*

The auger program was initiated to test surface and near-surface rare earth mineralisation, targeting areas with anomalous geochemical signatures identified through previous reconnaisance. 53 auger drill samples from the current program have been received from SGS Geosol laboratory and returned exceptional high-grade REE mineralisation at surface that warrant continued exploration in this area.

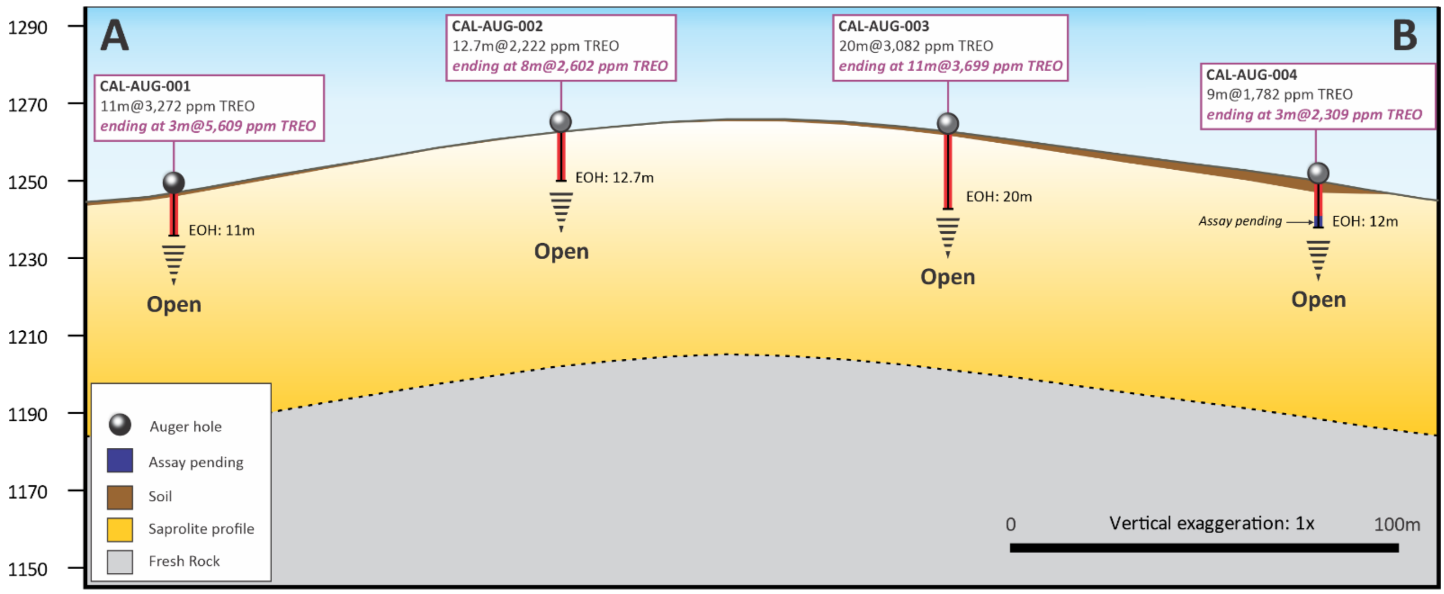

Figure 1 - Cross section of auger holes (potential fresh rock zone depth interpreted)

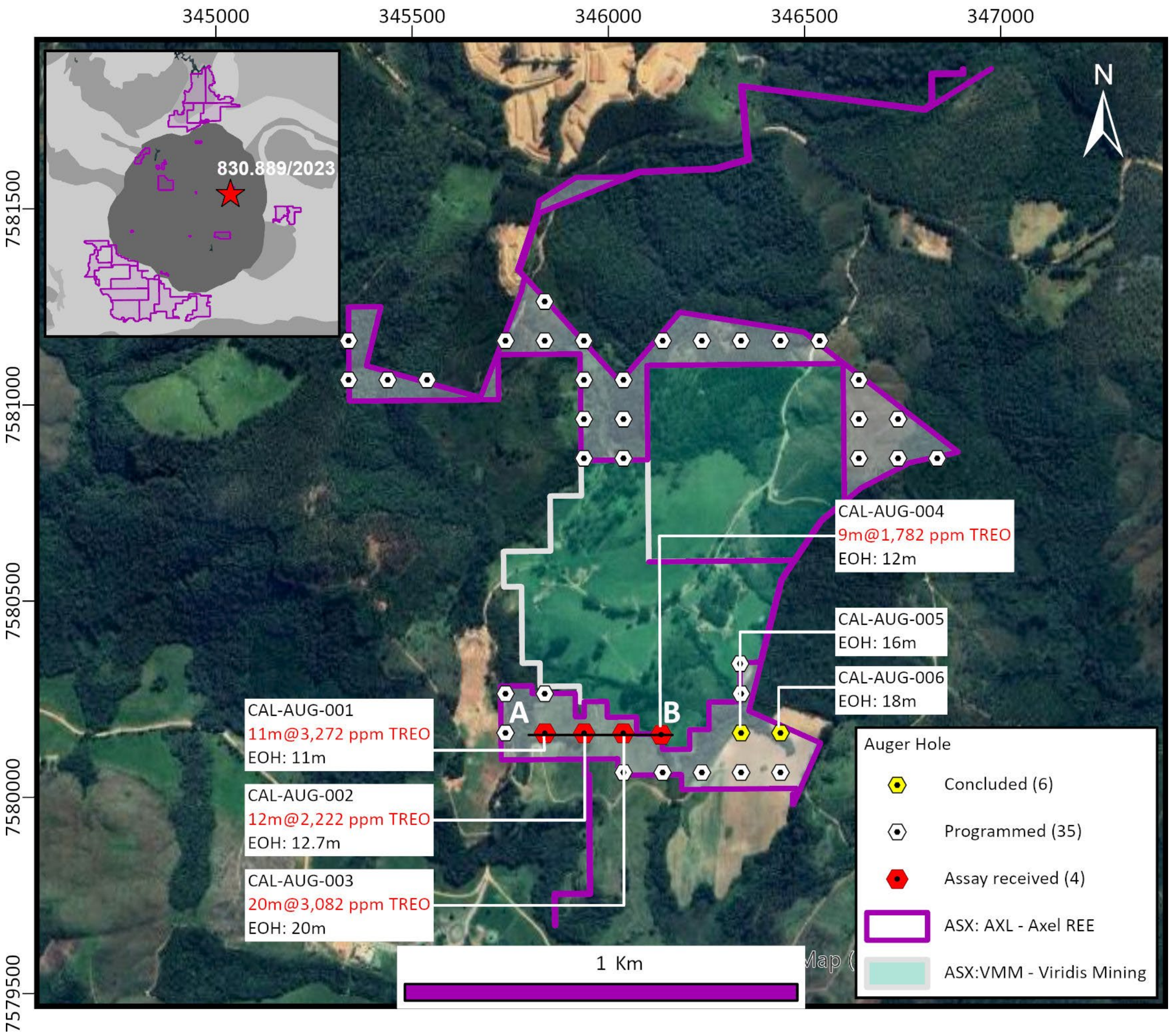

Figure 2 - Assay status map of Caldas tenement 830.889/2023

REE assays from the auger program at Caldas returned consistently high grade TREO[1] and significant MREO[2] proportions (refer Table 1 below for significant results).

[1] TREO = La2O3 + CeO2 +Pr6O11 + Nd2O3 + Sm2O3 + Eu2O3 + Gd2O3 + Tb4O7 + Dy2O3 + Ho2O3 + Er2O3 + Tm2O3 + Yb2O3 + Lu2O3 + Y2O
[2] MREO = Tb4O7 + Dy2O3 + Nd2O3 +Pr6O11

HoleID	From	To	Length m	TREO ppm	MREO ppm	MREO %	DyTb ppm	NdPr ppm
CAL-AUG-001	0	11	11	3,273	894	24	47	847
including	***9***	***10***	***1***	***7,099***	***2,446***	***34***	***136***	***2,310***
ending with	***9***	***11***	***3***	***5,609***	***1,929***	***34***	***108***	***1,821***
CAL-AUG-002	0	12.7	12.7	2,222	565	23	35	530
including	***9***	***10***	***1***	***3,033***	***933***	***31***	***60***	***873***
ending with	***5***	***12***	***8***	***2,602***	***772***	***29***	***47***	***725***
CAL-AUG-003	0	20	*20*	3,082	853	26	48	805
including	***15***	***16***	***1***	***6,536***	***2,077***	***32***	***143***	***1,935***
ending with	***9***	***20***	***11***	***3,699***	***1,130***	***30***	***68***	***1,062***
CAL-AUG-004	*0*	*9*	*9*	*1782*	*345*	*18*	*24*	*321*
including	***8***	***9***	***1***	***2,654***	***738***	***28***	***43***	***695***
ending with	***6***	***9***	***3***	***2,309***	***623***	***27***	***35***	***588***

Table 1: Summary of auger drill results

Figure 3 - CLD-AUG-001 interval from 9.00 to 10.00 metres – 7,099ppm TREO clay zone with disseminated kaolinite

Caladão Project Update

The ongoing drilling campaign at Caladão Project in the Lithium Valley, Minas Gerais, continues with 77 auger and diamond drillholes completed across key target areas. Drill samples have been sent to SGS and are expected to return in batches progressively in the coming weeks. The data collected from these drillholes will be used to support a potential REE resource within this project area.

This announcement was authorised by the Board of Directors.

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Competent Persons Statement

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources, or Ore Reserves is based on information compiled by Dr. Fernando Tallarico, who is a member of the Association of Professional Geoscientists of Ontario, and Dr. Paul Woolrich, who is a Competent Person and a Member of the Australian Institute of Mining and Metallurgy (AusIMM). Dr Tallarico is a full-time employee of the company. Dr. Tallarico and Dr. Woolrich have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources, and Ore Reserves. Dr. Tallarico and Dr. Woolrich consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

About Axel REE

Axel REE is an exploration company which is primarily focused on exploring the Caladão, Caldas, Itiquira, and Corrente rare earth elements (REE) and other critical minerals projects in Brazil. Together, the project portfolio covers over 1,105km^2 of exploration tenure in Brazil, the third largest country globally in terms of REE Reserves.

The Company's mission is to explore and develop REE and other critical minerals in vastly underexplored Brazil. These minerals are crucial for the advancement of modern technology and the transition towards a more sustainable global economy. Axel's strategy includes extensive exploration plans to fully realize the potential of its current projects and seek new opportunities.

Table 2 - Assay Results

HoleID	From	To	Length m	TREO ppm	MREO ppm	MREO %	HREO ppm	HREO %	DyTb ppm	NdPr ppm
CAL-AUG-001	0	1	11m @ 3,273ppm TREO *Including 1m @ 7,099ppm TREO ending at 3m @ 5,609ppm TREO*	2,137	178	8	138	6	13	165
CAL-AUG-001	1	2		2,246	303	13	149	7	15	288
CAL-AUG-001	2	3		2,615	504	19	210	8	20	484
CAL-AUG-001	3	4		2,178	379	17	177	8	17	362
CAL-AUG-001	4	5		2,475	455	18	266	11	26	429
CAL-AUG-001	5	6		2,035	583	29	268	13	25	558
CAL-AUG-001	6	7		2,402	717	30	333	14	30	686
CAL-AUG-001	7	8		3,083	926	30	478	16	44	881
CAL-AUG-001	8	9		5,374	1,937	36	1,080	20	100	1,837
CAL-AUG-001	9	10		7,099	2,446	34	1,489	21	136	2,310
CAL-AUG-001	10	11		4,354	1,405	32	946	22	89	1,316
CAL-AUG-002	0	1	12m @ 2,222ppm TREO *Including 1m @ 3,033ppm TREO ending at 8m @2,602ppm TREO*	1,553	123	8	148	10	13	111
CAL-AUG-002	1	2		1,371	88	6	103	8	9	79
CAL-AUG-002	2	3		1,365	172	13	125	9	12	160
CAL-AUG-002	3	4		1,915	363	19	193	10	19	344
CAL-AUG-002	4	5		1,866	422	23	221	12	20	402
CAL-AUG-002	5	6		2,745	760	28	390	14	38	723
CAL-AUG-002	6	7		2,537	716	28	383	15	38	679
CAL-AUG-002	7	8		2,828	872	31	496	18	48	824
CAL-AUG-002	8	9		2,800	825	29	538	19	51	774
CAL-AUG-002	9	10		3,033	933	31	617	20	60	873
CAL-AUG-002	10	11		2,728	877	32	625	23	62	815
CAL-AUG-002	11	12		2,608	746	29	496	19	50	696
CAL-AUG-002	12	12.7		2,199	636	29	436	20	44	592
CAL-AUG-003	0	1	20m @ 3,082ppm TREO *including 1m @ 6,536ppm TREO ending at 11m @ 3,699ppm TREO*	2,028	128	6	197	10	15	113
CAL-AUG-003	1	2		2,046	175	9	179	9	14	161
CAL-AUG-003	2	3		1,683	250	15	147	9	14	236
CAL-AUG-003	3	4		2,021	383	19	183	9	17	366
CAL-AUG-003	4	5		2,405	551	23	297	12	28	524
CAL-AUG-003	5	6		2,482	598	24	262	11	25	573
CAL-AUG-003	6	7		2,735	736	27	302	11	29	707
CAL-AUG-003	7	8		2,694	848	31	368	14	35	813
CAL-AUG-003	8	9		2,860	950	33	414	14	38	911
CAL-AUG-003	9	10		3,973	1,275	32	592	15	56	1,219
CAL-AUG-003	10	11		3,421	1,064	31	534	16	51	1,013
CAL-AUG-003	11	12		3,492	1,120	32	654	19	61	1,059
CAL-AUG-003	12	13		3,704	1,152	31	720	19	67	1,084
CAL-AUG-003	13	14		3,521	1,044	30	689	20	64	980
CAL-AUG-003	14	15		3,653	1,076	29	746	20	68	1,009
CAL-AUG-003	15	16		6,536	2,077	32	1,736	27	143	1,935
CAL-AUG-003	16	17		4,125	1,339	32	913	22	82	1,257
CAL-AUG-003	17	18		2,801	784	28	609	22	53	731

HoleID	From	To	Length m	TREO ppm	MREO ppm	MREO %	HREO ppm	HREO %	DyTb ppm	NdPr ppm
CAL-AUG-003	18	19		2,984	822	28	673	23	57	765
CAL-AUG-003	19	20		2,477	680	27	481	19	45	635
CAL-AUG-004	0	1	9m @ 1,782ppm TREO *ending at 3m @ 2,309ppm TREO*	1,421	133	9	234	16	17	116
CAL-AUG-004	1	2		1,562	119	8	234	15	16	103
CAL-AUG-004	2	3		1,624	172	11	262	16	19	154
CAL-AUG-004	3	4		1,681	276	16	307	18	23	253
CAL-AUG-004	4	5		1,357	216	16	242	18	17	199
CAL-AUG-004	5	6		1,470	323	22	289	20	20	303
CAL-AUG-004	6	7		2,158	537	25	380	18	29	508
CAL-AUG-004	7	8		2,115	594	28	417	20	34	561
CAL-AUG-004	8	9		2,654	738	28	511	19	43	695
CAL-AUG-004	9	10		Assay Pending						
CAL-AUG-004	10	11		Assay Pending						
CAL-AUG-004	11	12		Assay Pending						

Table 3 – Caldas Auger drill-hole locations.

HoleID	Easting	Northing	RL (m)	EOH	Tenement	Assay Status
CAL-AUG-001	345838.00	7580163.00	1,244	11.00	830.889/2023	Complete
CAL-AUG-002	345938.20	7580163.40	1,261	12.70	830.889/2023	Complete
CAL-AUG-003	346038.20	7580163.40	1,259	20.00	830.889/2023	Complete
CAL-AUG-004	346134.00	7580163.40	1,247	12.00	830.889/2023	Partially Complete to 9m
CAL-AUG-005	346363.00	7580136.00	1,247	16.00	830.889/2023	Pending
CAL-AUG-006	346470.00	7580156.00	1,260	18.00	830.889/2023	Pending

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done, this would be relatively simple (e.g., 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverized to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	Auger holes At each drill site, the surface was thoroughly cleared. Soil and saprolite samples were gathered every 1 meter with precision, carefully logged and photographed. Each sample was then sealed in plastic bags and clearly labelled for identification.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Auger drilling A motorized 2.5HP soil auger with a 4" drill bit, reaching depths of up to 20 meters, was used to drill. The drilling is an open hole, meaning there is a significant chance of contamination from the surface and other parts of the auger hole. Holes are vertical and not oriented.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	Auger drilling No recoveries are recorded. No relationship is believed to exist between recovery and grade.

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td>Logging</td><td>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.
Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.
The total length and percentage of the relevant intersections logged.</td><td>The geology was described in a core facility by a geologist - logging focused on the soil (humic) horizon, saprolite, and fresh rock boundaries. The depth of geological boundaries is honored and described with downhole depth – not meter by meter.

Other important parameters for collecting data include grain size, texture, and color, which can help identify the parent rock before weathering.

All drilled holes have a digital photographic record. The log is stored in a Microsoft Excel template with inbuilt validation tables and a pick list to avoid data entry errors.</td></tr>
<tr><td>Sub-sampling techniques and sample preparation</td><td>If core, whether cut or sawn and whether quarter, half or all core taken.
If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.
For all sample types, the nature, quality and appropriateness of the sample preparation technique.
Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.
Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.
Whether sample sizes are appropriate to the grain size of the material being sampled.</td><td>Sample preparation (drying, crushing, splitting and pulverising) is carried out by SGS laboratory, in Vespasiano MG, using industry-standard protocols:
dried at 60°C
the fresh rock is 75% crushed to sub 3mm
the saprolite is just disaggregated with hammers
Riffle split sub-sample
250 g pulverized to 95% passing 150 mesh, monitored by sieving.
Aliquot selection from pulp packet</td></tr>
<tr><td>Quality of assay data and laboratory tests</td><td>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.
For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.
Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</td><td>1 blank sample, 1 certified reference material (standard) sample and 1 field duplicate sample were inserted by company into each 25 sample sequence.
Standard laboratory QA/QC procedures were followed, including inclusion of standard, duplicate and blank samples.
The assay technique used was Sodium Peroxide Fusion ICP OES / ICP MS (SGS code ICM90A). Elements analyzed at ppm levels:
<table><tr><td>Ce 0.1 – 10,000</td><td>Dy 0.05 – 1,000</td></tr><tr><td>Er 0.05 – 1,000</td><td>Eu 0.05 – 1,000</td></tr><tr><td>Gd 0.05 – 1,000</td><td>Ho 0.05 – 1,000</td></tr><tr><td>La 0.1 – 10,000</td><td>Li 10 – 15,000</td></tr><tr><td>Nd 0.1 – 10,000</td><td>Pr 0.05 – 1,000</td></tr><tr><td>Sm 0.1 – 1,000</td><td>Tb 0.05 – 1,000</td></tr><tr><td>Th 0.1 – 1,000</td><td>Tm 0.05 – 1,000</td></tr><tr><td>U 0.05 – 10,000</td><td>Y 0.05 – 1,000</td></tr><tr><td>Yb 0,1 – 1,000</td><td></td></tr></table></td></tr>
</table>

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td></td><td>The sample preparation and assay techniques used are industry standard and provide total analysis.

The SGS laboratory used for assays is ISO 9001 and 14001 and 17025 accredited.</td></tr>
<tr><td>Verification of sampling and assaying</td><td>The verification of significant intersections by either independent or alternative company personnel.
The use of twinned holes.
Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.
Discuss any adjustment to assay data.</td><td>Apart from the routine QA/QC procedures by the Company and the laboratory, there was no other independent or alternative verification of sampling and assaying procedures.
No twinned holes were used.
Primary data collection follows a structured protocol, with standardized data entry procedures ensure that any issues are identified and rectified. All data is stored both in physical forms, such as hard copies and electronically, in secure databases with regular backups.
The adjustments to the data were made transforming the element values into the oxide values. The conversion factors used are included in the table below.
(Source:https://www.jcu.edu.au/advanced-analyticalcentre/resources/element-to-stoichiometric-oxide-conversionfactors).
<table>
<tr><th>Element ppm</th><th>Conversion Factor</th><th>Oxide Form</th></tr>
<tr><td>Ce</td><td>1.2284</td><td>CeO2</td></tr>
<tr><td>Dy</td><td>1.1477</td><td>Dy2O3</td></tr>
<tr><td>Er</td><td>1.1435</td><td>Er2O3</td></tr>
<tr><td>Eu</td><td>1.1579</td><td>Eu2O3</td></tr>
<tr><td>Gd</td><td>1.1526</td><td>Gd2O3</td></tr>
<tr><td>Ho</td><td>1.1455</td><td>Ho2O3</td></tr>
<tr><td>La</td><td>1.1728</td><td>La2O3</td></tr>
<tr><td>Lu</td><td>1.1371</td><td>Lu2O3</td></tr>
<tr><td>Nd</td><td>1.1664</td><td>Nd2O3</td></tr>
<tr><td>Pr</td><td>1.2082</td><td>Pr6O11</td></tr>
<tr><td>Sm</td><td>1.1596</td><td>Sm2O3</td></tr>
<tr><td>Tb</td><td>1.1762</td><td>Tb4O7</td></tr>
<tr><td>Tm</td><td>1.1421</td><td>Tm2O3</td></tr>
<tr><td>Y</td><td>1.2699</td><td>Y2O3</td></tr>
<tr><td>Yb</td><td>1.1387</td><td>Yb2O3</td></tr>
</table>
Rare earth oxide is the industry accepted form for reporting rare earths. The following calculations are used for compiling REO into their reporting and evaluation groups:

TREO (Total Rare Earth Oxide) = La2O3 + CeO2 + Pr6O11 + Nd2O3 + Sm2O3 + Eu2O3 + Gd2O3 + Tb4O7 + Dy2O3 + Ho2O3 + Er2O3 + Tm2O3 + Yb2O3 + Y2O3 + Lu2O3
LREO (Light Rare Earth Oxide) = La2O3 + CeO2 + Pr6O11 + Nd2O3
HREO (Heavy Rare Earth Oxide) = Sm2O3 + Eu2O3 + Gd2O3 + Tb4O7 + Dy2O3 + Ho2O3 + Er2O3 + Tm2O3 + Yb2O3 + Y2O3 + Lu2O3</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
		CREO (Critical Rare Earth Oxide) = Nd_2O_3 + Eu_2O_3 + Tb_4O_7 + Dy_2O_3 + Y_2O_3 (From U.S. Department of Energy, Critical Material Strategy, December 2011) MREO (Magnetic Rare Earth Oxide) = Nd_2O_3 + Pr_6O_{11} + Tb_4O_7 + Dy_2O_3 NdPr = Nd_2O_3 + Pr_6O_{11} DyTb = Dy_2O_3 + Tb_4O_7 In elemental from the classifications are: TREE: La+Ce+Pr+Nd+Sm+Eu+Gd+Tb+Dy+Ho+Er+Tm+Tb+Lu+Y HREE: Sm+Eu+Gd+Tb+Dy+Ho+Er+Tm+Tb+Lu+Y CREE: Nd+Eu+Tb+Dy+Y LREE: La+Ce+Pr+Nd
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	The UTM SIRGAS2000 zone 23S grid datum is used for current reporting. The auger holes collar coordinates for the holes reported are currently controlled by hand-held GPS.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	The auger drilling program was executed on a systematic 100 x 100-meter grid. This spacing ensures a high-resolution exploration framework appropriate for the area of interest. The grid is designed to facilitate the delineation of an initial mineral resource and provide a robust understanding of geological structure and grade continuity within the targeted zone. Collar plan displayed in the body of the release. No resources are reported.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	All drill holes were drilled vertically, which is deemed the most suitable orientation for this type of supergene deposit. These deposits typically have a broad horizontal extent relative to the thickness of the mineralised body, exhibiting horizontal continuity with minimal variation in thickness. Given the extensive lateral spread and uniform thickness of the deposit, vertical drilling is optimal for achieving unbiased sampling. This orientation allows for consistent intersections of the horizontal mineralized zones, providing an accurate depiction of the geological framework and mineralisation. No evidence suggests that the vertical orientation has introduced any sampling bias concerning the key mineralised structures. The alignment of the drilling with the deposit's known geology ensures accurate and representative sampling. Any potential bias from the drilling orientation is considered negligible.

Criteria	JORC Code explanation	Commentary
Sample security	• *The measures taken to ensure sample security.*	All samples were collected by field personnel and securely sealed in labeled plastic bags to ensure proper identification and prevent contamination.All samples for submission to the lab are packed in plastic bags (in batches) and sent to the lab where it is processed as reported above. The transport of samples from our Caldas Project was delivered to SGS facilities in the city of Poços de Caldas MG by Axel staff.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	No independent audit has been completed.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership, including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	All samples were sourced from tenements fully owned by Axel REE Ltd.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration* • *by other parties.*	In the Caldas Project, there has been intense mineral exploration activity in the Alkaline Poços de Caldas Complex. But we are unaware of previous exploration programs in our tenements.
Geology	• *Deposit type, geological setting and style of mineralisation.*	The Alkaline Complex of Poços de Caldas represents one of the most important geological terrains in Brazil, which hosts deposits of ETR, bauxite, clay, uranium, zirconium, rare earth, and leucite. The different types of mineralisation are products of a history of post-magmatic alteration and weathering in the last stages of its evolution. The REE mineralisation is of the Ionic Clay type, as evidenced by development within the saprolite/clay zone of the weathering profile of the Alkaline syenite basement.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results, including a tabulation of the following information for all Material drill holes:* ○ *Easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea*	Reported in the body of the announcement.

	level in metres) of the drill hole collar ○ *Dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	Data acquisition for this project encompasses results from auger drilling. The dataset was compiled in its entirety, with no selective exclusion of information. All analytical techniques and data aggregation were conducted in strict accordance with industry best practices, as outlined in prior technical discussions.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	All holes are vertical, and mineralisation is developed in a flat-lying clay and transition zone within the regolith in both Pro
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Reported in the body of the text.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of*	The data presented in this report aims to provide a transparent and comprehensive overview of the exploration activities and findings. All relevant information, including sampling techniques, geological context, prior exploration work, and assay

	Exploration Results.	results, has been thoroughly documented. Cross-references to previous announcements have been included where applicable to ensure continuity and clarity. The use of diagrams, such as geological maps and tables, is intended to enhance understanding of the data. This report accurately reflects the exploration activities and findings without bias or omission.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	There is no additional substantive exploration data to report currently.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	The current focus of development work is to continue auger drilling at the Caldas project areas to test extensions of the mineralised tenement area as well as drilling additional tenements in the Caldas Project area. Other development work in progress by the Company includes diamond and auger drilling at the Caladão project areas in the Lithium Valley, Minas Gerais, and mapping and scouting programs at the Itiquira REE/niobium project in Mato Grosso.