BRE COMMISSIONS PILOT PLANT; CO-FUNDING SECURED FOR STAGE II HYDROMET PILOT PLANT

Stage I pilot plant successfully commissioned at Camaçari; Stage II hydrometallurgical plant co-funding and technical support secured, commissioning planned for Q2 2027

HIGHLIGHTS

- **Stage I pilot plant commissioned:** First rare earth mineral concentrate production demonstrates operation of the full Stage I beneficiation circuit, moving BRE into a bulk-scale metallurgical test work program for feasibility studies
- **PFS test work program advancing**: Pilot plant metallurgical bulk test work programs progressing, providing operating data to refine processing design, equipment selection and cost estimates
- **Integrated ore-to-oxide testing:** Stage II piloting will extend the metallurgical program through hydrometallurgical extraction and separation to produce NdPr oxide, heavy rare earth HRE+ concentrate and uranium yellowcake
- **Monte Alto fast-track pathway:** Stage I pilot results support the assessment of the potential opportunity to fast-track a development pathway for Monte Alto upgraded mineral concentrate exports, subject to further engineering and technical studies
- **Leading development partnership:** SENAI CIMATEC, a leading Brazilian technology & research institution, will partner on the Stage II hydrometallurgical pilot plant, with key equipment deliveries planned in 2026 ahead of planned commissioning in Q2 2027
- **Partner funding secured for Stage II:** SENAI CIMATEC and partners will contribute R$6.4 million (~A$1.7 million) to fund the Stage II hydrometallurgical plant, which is approximately 59% of the expected total capex and opex.[1] The Stage II award brings total co-funding support for the Camaçari pilot plant to R$14.6 million (~A$3.9 million).
- **Specialist separation and execution support:** Carester, the French rare earth separation specialist, and BRE's heavy rare earth HRE+ offtake partner, will lead the separation workstream across the program and support engineering, design, and commissioning for BRE's planned Camaçari rare earth refinery
- **BRE investing in Bahia:** SENAI CIMATEC, Carester and BRE bring complementary technical expertise to the feasibility study program, and the advanced metallurgical pilot plant will support new skilled technical jobs and domestic rare earth and critical mineral processing capabilities in Bahia, Brazil
- **Strategic co-product upside:** Stage II piloting will test and validate uranium, scandium, niobium, titanium and tantalum recovery and commercialisation pathways, assessing the potential to lower net unit costs beyond the Scoping Study case forecast of US$21/kg NdPr equivalent and deepen the cost advantage

[1] SENAI CIMATEC has partnered with EMBRAPII (Brazilian public-private partnership focused on fostering technological research and industrial innovation) to provide the R$6.4m (~A$1.7m) in funding.

Note: References to the Scoping Study mean the standalone Integrated Monte Alto + Camaçari Case released on 18 August 2026. Co-product benefits remain subject to recovery, product quality, costs and commercials. No revised cost forecast or global cost ranking is reported.

CEO COMMENTARY

"With the Stage I pilot plant successfully commissioned, we are now advancing our bulk metallurgical test work program that will underpin our feasibility studies. First rare earth mineral concentrate production at the pilot plant gives us a platform to test processing options at larger scale and generate the data needed for engineering decisions.

The Stage II hydrometallurgical pilot plant program will extend our systematic metallurgical evaluation through hydrometallurgical extraction and separation to produce NdPr oxide, heavy rare earth HRE+ concentrate and uranium yellowcake. It will also test a significant opportunity to capture more value from the same high-grade Monte Alto feedstock.

The August 2026 Scoping Study includes the cost of recovering uranium but no uranium revenue, and the potential to include scandium and other strategic co-product revenues provides further potential upside. Successful commercialisation could create additional cost credits and deepen our cost advantage on the global cost curve.

With SENAI CIMATEC's continued co-funding and Carester's rare earth separation expertise, we are enhancing the technical data to advance our integrated rare earth hub-and-spoke processing platform in Brazil."

— Bernardo da Veiga, CEO & Managing Director

Brazilian Rare Earths Limited (ASX: BRE; OTCQX: BRELY / BRETF) is advancing its pre-feasibility study (PFS) with the successful commissioning of its Stage I metallurgical pilot plant at Camaçari, Bahia, and additional partner co-funding secured to progress the Stage II hydrometallurgical pilot plant.

Stage I has produced its first rare earth mineral concentrate. BRE will now advance the next phase of piloting, with SENAI CIMATEC and its partner organisations contributing R$6.4 million (approximately A$1.7 million), covering approximately 59% of Stage II's expected capital and operating costs.

A WORKING METALLURGICAL PILOT PLANT AT CAMAÇARI

The Stage I pilot plant uses physical processing, or beneficiation, to concentrate rare earth minerals from ore. Its configurable circuits have allowed BRE to test different feedstocks from across the Rocha da Rocha Province and optimise processing performance.

Systematic processing campaigns will optimise concentrate grade and recovery, and prepare material for downstream testing. These results will refine the processing flowsheet and engineering assumptions used in the PFS.

PARTNER CO-FUNDING ADVANCES HYDROMET PILOT PLANT

BRE and SENAI CIMATEC have renewed their development partnership to advance the Stage II hydrometallurgical pilot plant. Detailed design is underway, with equipment expected to arrive on-site in Q4 2026 and commissioning planned for Q2 2027.

Stage II will add hydrometallurgical extraction and separation to establish an integrated ore-to-oxide pilot capability at Camaçari. In partnership with Carester, the plant will produce NdPr oxide, heavy rare earth HRE+ concentrate and uranium yellowcake, consistent with planned Camaçari refinery product suite.

The combined program will test process integration and product-quality data to inform engineering and process design for the Camaçari refinery development. Product samples will support customer test work, qualification and offtake discussions.

STAGE I – BENEFICIATION

Upgrades Rocha da Rocha mineral feedstocks into mineral concentrate for downstream pilot testing and PFS engineering

STAGE II - HYDROMETALLURGY

Converts mineral concentrate into value-add products, optimising extraction and separation flowsheets, and generating data for a Camaçari rare earth refinery

TECHNICAL PARTNERS SUPPORT EXECUTION

SENAI CIMATEC combines applied research, industrial technology and technical education. The partnership will build pilot plant processing and analytical capability at Camaçari, supporting technical jobs and specialist skills development in Bahia, Brazil.

Carester, the French rare earth separation specialist, will lead the separation workstream across the pilot program and PFS, and support engineering, design and commissioning for the planned Camaçari refinery.

Carester is also BRE's heavy rare earth HRE+ concentrate offtake partner under a binding sales agreement with an initial 10-year term, covering product containing up to 150 tonnes per annum of dysprosium and terbium. Carester's HRE+ concentrate offtake will be processed at their Caremag facility in France into separated heavy rare earths including dysprosium, terbium and yttrium oxides.[2]

Figure 1: *BRE Metallurgical Pilot Plant Team.*

[2] Refer to BRE's ASX announcement dated 9 October 2025, "BRE Signs Rare Earths Offtake & Partnership with Carester".

STRATEGIC CO-PRODUCT VALUE STREAMS

BRE's co-product program will advance metallurgical test work using leach solutions and residues generated during piloting to optimise recovery of uranium, scandium, niobium, titanium and tantalum.

The August 2026 Scoping Study places Monte Alto + Camaçari in the first quartile of Benchmark Mineral Intelligence's forecast global rare earth cost curve at approximately US$21/kg NdPr equivalent.[3] That cost position excludes the potential credits from uranium, scandium and Nb-Ta-Ti strategic co-products.

The economic opportunity is to recover additional payable products from material scheduled to be mined and processed for rare earths. Commercial receipts, after additional recovery and selling costs, could offset a greater proportion of the operation's costs and reduce net NdPr-equivalent unit costs below the Scoping Study benchmarks.

The Scoping Study includes all forecast uranium recovery and yellowcake capital and operating costs while assigning no uranium revenue. Subject to a commercial framework, value realised from this uranium co-product could provide a significant source of cost credits. Uranium value realisation remains subject to applicable Brazilian requirements and agreed commercial arrangements with INB.

Successful development of these pathways could strengthen BRE's position among the world's lowest-cost rare earth development projects. The PFS program will assess the technical and commercial parameters to quantify the economic potential.

Co-product	Published basis	Focus of further work
Uranium	540 tpa U_3O_8 in the first five run-rate years; 466 tpa LOM average. Capex and recovery costs included; revenue excluded.	Yellowcake product, integrated performance and commercial value retained by BRE.
Scandium	Study-estimated annual feed inventory of ~43 tonnes Sc_2O_3 LOM average, before metallurgical recovery; no production or revenue included.	Extraction from solution, purification, product quality, incremental costs and customer partnerships.
Tantalum, niobium, titanium	Potential recovery from enriched leach residues; no production or revenue included.	Residue upgrading, critical element recoveries, saleable products and buyer payability.

Source: 18 August 2026 Scoping Study update, pages 4, 15, 19–20. Average annual scandium content is a feed-inventory estimate before metallurgical recovery, not saleable scandium production. No annual niobium, tantalum or titanium production estimate is presented.

[3] BRE confirms that the material assumptions supporting the production targets and associated financial forecasts in its 18 August 2026 announcement remain applicable and have not materially changed.

NEXT STEPS

- **Optimise Stage I:** Systematic variability test work to optimise processing routes, refine mineral concentrate grade and recovery, and generate feedstock for downstream metallurgical programs
- **Deliver Stage II:** Complete and commission the hydrometallurgical pilot plant in Q2 2027, for planned integrated extraction and rare earth separation programs
- **Expand analytical capability:** Install dedicated laboratory equipment for rapid multi-element analysis to support process optimisation and product-quality testing
- **Monte Alto fast-track pathway:** Pilot results will support the assessment of the potential fast-track Monte Alto ungraded mineral concentrate development pathway, subject to further engineering and technical studies
- **Strategic co-product development:** Metallurgical test work programs, flowsheet design and product samples for potential uranium, scandium, niobium, titanium and tantalum co-products
- **Apply the results:** Incorporate pilot plant data into the PFS engineering, flowsheet design, equipment selection and product samples for customer evaluation and offtake discussions

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

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Figure 2: *BRE Pilot Plant exterior.*

Figure 3: *Stage 1 Beneficiation Facility Overview - 100 kg/h Capacity.*

Figure 4: *Stage 1 Beneficiation Facility Overview - 100 kg/h Capacity.*

Figure 5: *Grinding mill within the Stage 1 beneficiation pilot plant.*

Figure 6: *Hydrocyclone classification equipment and associated slurry tank and pump.*

Figure 7: *Flotation cell bank.*

Figure 8: *Prepared feedstock for the Stage 1 pilot plant's wet beneficiation circuit.*

Figure 9: *Flotation solution dosing during commissioning.*

Figure 10: *Flotation cell air flow adjustment during commissioning.*

Figure 11: *Process sample collection during commissioning.*

Figure 12: *Gravity separation / spiral concentrator.*

Figure 13: *Filter press in the foreground, providing solid–liquid separation.*

Figure 14: *Filtered and dried process samples from the Stage 1 beneficiation pilot plant.*

Figure 15: *3D rendering of the planned Stage 2 hydrometallurgical and separation pilot facility.*

Cautionary Statement

This Announcement refers to results of the Rocha da Rocha Scoping Study Update – Integrated Monte Alto + Camaçari Case, released to ASX on 18 August 2026 (Scoping Study), including the forecast first-quartile C1 cash cost of approximately US$21/kg NdPr equivalent on Benchmark Mineral Intelligence's forecast 2032 global rare earths cost curve, forecast average annual U_3O_8 production of 540 tpa over the first five years of run-rate production and 466 tpa on a life-of-mine average basis, and the annual feedstock content of approximately 43 tonnes Sc_2O_3 at the Scoping Study feed rate. The Scoping Study is a preliminary technical and economic assessment based on low-level technical and economic evaluations, prepared to an intended accuracy of approximately ±40%, and is insufficient to support the estimation of Ore Reserves or to provide assurance of an economic development case. There is no certainty that the conclusions of the Scoping Study will be realised.

The Production Target and the forecast financial information derived from it are underpinned by approximately 75% Indicated Mineral Resources and 25% Inferred Mineral Resources. There is a low level of geological confidence associated with Inferred Mineral Resources, which are considered too speculative geologically for Modifying Factors to be applied in sufficient detail to support the estimation of Ore Reserves. There is no certainty that further exploration work will result in the determination of Indicated Mineral Resources, or that the Production Target or the forecast financial information derived from it will be realised.

BRE confirms that all material assumptions underpinning the Production Target and the forecast financial information derived from it, as set out in its announcement of 18 August 2026, continue to apply and have not materially changed. BRE further confirms that it is not aware of any new information or data that materially affects the Monte Alto Mineral Resource Estimate, as first reported in its announcement of 13 August 2026 and re-confirmed on 18 August 2026, and that all material assumptions and technical parameters underpinning that estimate continue to apply and have not materially changed.

This Announcement reports no new production target or forecast financial information, and no revised cost estimate or global cost ranking. No production target, forecast financial information or economic value is attributed to the potential uranium, scandium, niobium, titanium or tantalum co-products, or to the potential Monte Alto concentrate export pathway, described in this Announcement. This Announcement should be read together with the cautionary statement on page 2, the funding disclosure in Appendix A and the ASX Listing Rules 5.16 and 5.17 information on page 26 of the 18 August 2026 announcement.

Forward-Looking Statements and Information

This Announcement may contain "forward-looking statements" and "forward-looking information", including statements and forecasts which include (without limitation) expectations regarding industry growth and other trend projections, forward-looking statements about the BRE's Projects, future strategies, results and outlook of BRE and the opportunities available to BRE. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "is expecting", "budget", "outlook", "scheduled", "target", "estimates", "forecasts", "intends", "anticipates", or "believes", or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might", or "will" be taken, occur or be achieved. Such information is based on assumptions and judgments of BRE regarding future events and results. Readers are cautioned that forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, targets, performance or achievements of BRE to be materially different from any future results, targets, performance or achievements expressed or implied by the forward-looking information.

Forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management of the Company. Key risk factors associated with an investment in the Company are detailed in the Annual Report released to the ASX on 30 March 2026. These and other factors could cause actual results to differ materially from those expressed in any forward-looking statements.

Forward-looking information and statements are (further to the above) based on the reasonable assumptions, estimates, analysis and opinions of BRE made on the perception of trends, current conditions and expected developments, as well as other factors that BRE believes to be relevant and reasonable in the circumstances at the date such statements are made, but which may prove to be incorrect. Although BRE believes that the assumptions and expectations reflected in such forward-looking statements and information (including as described in this Announcement) are reasonable, readers are cautioned that this is not exhaustive of all factors which may impact on the forward-looking information.

The Company cannot and does not give assurances that the results, performance or achievements expressed or implied in the forward-looking information or statements detailed in this Announcement will actually occur and prospective investors are cautioned not to place undue reliance on these forward-looking information or statements.

Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the Company does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

Competent Persons Statement

The information in this release that relates to Metallurgical Testwork, is based on information compiled and/or reviewed by Dr Kurt Forrester who is a Member of The Australasian Institute of Mining and Metallurgy (AusIMM). Dr Forrester is Chief Metallurgist and Head of Metallurgical Processing for Brazilian Rare Earths Limited ("BRE") with sufficient experience relevant to the activity which he is undertaking to be recognised as competent to compile and report such information to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Forrester is entitled to participate in BRE's Employee Incentive Plan and holds securities in BRE via a related party.

Dr Forrester consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Information in this release relating to the Monte Alto Mineral Resource Estimate, the Production Target and the forecast financial information derived from it has been extracted from BRE's ASX announcement dated 18 August 2026, "Rocha da Rocha Scoping Study Update – Integrated Monte Alto + Camaçari Case", which is available at www.asx.com.au. That announcement identifies the Competent Persons responsible for that information, being Mr David Williams (Mineral Resource Estimates), Mr Leon McGarry (Exploration Results), Mr Howard Simpson (mining) and Mr Damian Connelly (processing and infrastructure). BRE confirms that the form and context in which each Competent Person's findings are presented have not been materially modified from that announcement.