Milestone for rare earth project development

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New areas of ionic rare earth elements with high extraction discovered

The Deep Leads project development stage will now commence, focused on starting production within months, rather than years, from project approval

ABx deposits are enriched in the highest value, most important rare earths

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ABx Group Limited (ASX: ABX) (**ABx** or the **Company**) is excited to announce that it has discovered several new areas of ionic adsorption clay rare earths with high extraction at its Deep Leads project in northern Tasmania. Ionic rare earths are low cost to extract, so these results significantly increase the commercial potential of the Deep Leads project.

As a result of identifying new areas with high extraction, the project development stage has now commenced and will focus on a project that can commence production within months, not years, from project approval.

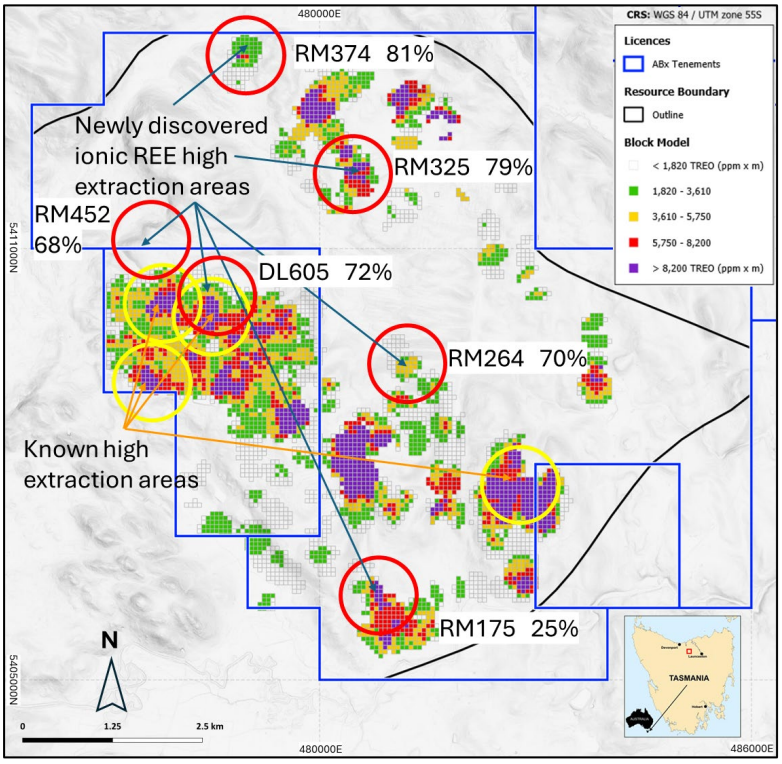


Figure 1: New areas with high rare earth extraction at Deep Leads (red circles)*
Details in Table 2.

These new areas were identified by recent leach tests of drill samples conducted at ABx's research laboratory in Launceston, Tasmania.

ABx's leach results are similar to those done on the same samples by the Australian Nuclear Science and Technology Organisation (ANSTO) using the standard low-cost process for ionic rare earths. For example, leach tests by ANSTO on a bulk sample achieved extraction exceeding 80%, which was 10% higher than ABx's results on the same sample (see ASX announcement 23 January 2026)

* Extractions quoted are extractions of total rare earths & yttrium minus cerium

Project Setting

Deep Leads project is located 40km by highway west of Launceston in a pine plantation with a granted Mining Lease for quarrying ABx's DL130 bauxite deposit, nearby rail and infrastructure with low-cost grid hydropower and water (Figure 2).

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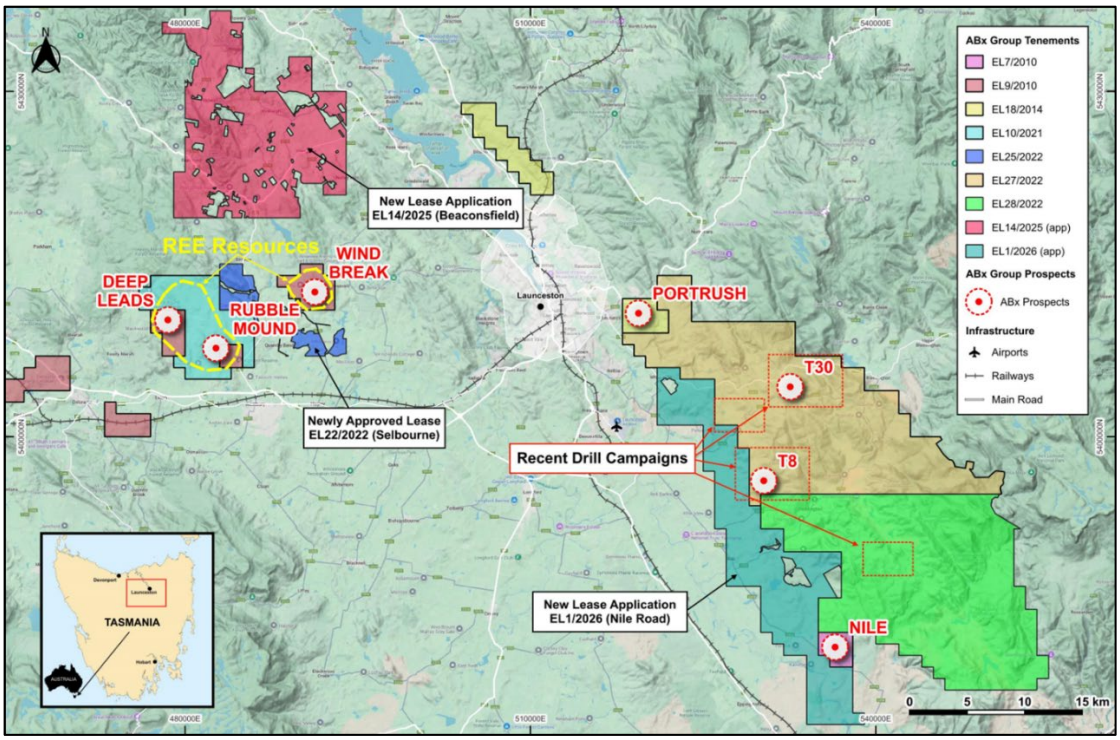


Figure 2: Deep Leads rare earths project, ABx tenements and rare earth discoveries in northern Tasmania

Dr Mark Cooksey, Managing Director and CEO of ABx Group, commented:

"My jaw dropped when I saw these leach test results. Our in-house assessment and knowledge gained from external experts indicate that ionic deposits are likely to be substantially lower on the cost curve than otherwise equivalent clay-hosted deposits. Ionic deposits also appear to be very rare, especially in tier 1, dependable jurisdictions such as Australia.

"These results strongly suggest that we have a substantial extent of ionic clay rare earths in our Deep Leads deposit, which will enhance our ability to supply significant volumes of high-quality MREC into western supply chains. We have progressed to the project development stage."

Rare Earths Project Development Strategy

ABx aims to establish Australia's first ionic rare earths project producing a premium MREC that is sold to rare earth separation plants. ABx has executed a Memorandum of Understanding with Ucore Rare Metals Inc. (TSXV: UCU) (OTCQX: UURAF),[1] which is developing rare-earth processing facilities in North America. ABx is also in discussions with other potential offtake partners, including the provision of MREC samples to multiple parties.[2]

Rare earth permanent magnets account for over 90% of the value of the rare earths market, and are used in electric vehicles, wind turbines, smartphones and military applications. The permanent magnet rare earths are neodymium (Nd), praseodymium (Pr), dysprosium (Dy) and terbium (Tb), with Dy and Tb being the highest priced and in shortest supply.

[1] ASX Announcement, 4 September 2024
[2] ASX Announcement, 2 March 2026

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Rare earth market developments

Shanghai Metals Market 06/03/2026

REE (oxide)	USD$/tonne at 6/3/26	% change since 26/11/25
La	$740	16%
Ce	$1,990	21%
Pr	$133,100	58%
Nd	$133,500	59%
Sm	$2,380	2%
Eu	$24,900	-1%
Gd	$36,300	60%
Tb	$908,500	-2%
Dy	$215,900	4%
Ho	$80,300	15%
Er	$58,200	20%
Yb	$14,400	2%
Lu	$743,800	2%
Y	$10,500	24%
ABx MREC Total	**$59,700**	**34%**

Main REE metals in ABx MREC
Other heavy REE in ABx MREC

Table 1: Rare earth metal oxide prices

The basket price of ABx's heavy rare earth element enriched MREC product has risen by 34% in the last 3 months. The value of ABx's MREC product is underpinned by its exceptional Dy+Tb content which have current market prices of US$215,900 and US$908,500 per tonne respectively which are the most valuable rare earths.

The attractiveness of ABx's MREC is further reinforced by the strengthening of prices of Gd, Ho, Er, and Y.

Furthermore, Benchmark Minerals prices for Dy and Tb oxides in Europe are currently more than four times Shanghai Metal Market prices.[3]

ABx's Ionic Clay-Hosted Deposits

Most rare earths are sourced from hard-rock mineral deposits, typically requiring costly mining and processing plants with significant lead times to reach production.

An alternative source of rare earths is the ABx type of **ionic** clay-hosted deposits which can be leached at low-cost, using a simple benign three-step leaching process that has been used commercially for many decades, mainly in southern China and SE Asia.

This is in contrast to **non-ionic** clay-hosted rare earth deposits, which do not leach using the standard three-step process and require additional process steps to extract the rare earths. To our knowledge, there has never been commercial production from a non-ionic clay-hosted rare earth deposit and, consequently, ABx's project development strategy is to focus on developing its ionic rare earth resources.

Mineral Resource

ABx has reported a JORC-compliant mineral resource of 89 million tonnes at its Deep Leads - Rubble Mound and Wind Break deposits,[4] containing 36 ppm Dy+Tb which is 4.3% of total rare earth oxides (TREO), the highest proportion of any clay-hosted rare earth deposit in Australia and among the highest globally.[5]

ABx also has a portfolio of several other rare earth deposits in its large exploration tenements in northern Tasmania (Figure 2).

[3] www.benchmarkminerals.com, 5 March 2026
[4] 41 Mt inferred, 42 Mt indicated and 6 Mt measured
[5] ASX Announcement, 2 May 2024

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MREC Produced from Bulk Leach Tests

Bulk leaching tests conducted by Australian Nuclear Science and Technology Organisation (ANSTO) using the standard low cost reagents for ionic clay hosted ores achieved the highest ionic extractions reported from any clay-hosted resource in Australia. The maiden MREC produced from these bulk tests has the highest value of contained rare earths, including 4.0% Dy and 0.7% Tb as a percentage of total rare earths, which is more than twice that of any other peer MREC. [6]

In-house Leach Tests

At the early stages of its rare earth project, ABx identified a significant prevalence of ionic rare earths within its deposits at Deep Leads and Rubble Mound, through leach testing conducted by ANSTO. However, the true extent of ionic rare earths was still unclear

In 2023-24, ABx developed its own capability to conduct in-house leach testing that produced similar results to ANSTOs were obtained. This leach testwork is conducted in ABx's research laboratory in Launceston and is supervised by former CSIRO chemical engineer, Dr Daniel Jewell.

Since 2025, ABx has been progressively conducting leach testing on its drill samples across its deposits, with prioritisation based on grade (TREO-CeO_2), the likelihood of being ionic, other factors related to mining, metallurgical and rehabilitation project development strategies.

The recent in-house leach testing reported herein has identified three samples with a high ionic component that are more than 2 km distant from the nearest sample that was previously known to have high extraction (Figure 1). Full leach test results are contained in Table 2.

Implications

These new results vastly increase the likely extent of ionic rare earths in the Deep Leads deposit. This is crucial because it can enable a project with a higher annual production rate and longer mine life, and it also indicates the possibility of discovering new zones even superior to the existing known ionic areas.

Next Steps

ABx will continue to conduct in-house leach testing on drill samples, to better define the extent of ionic rare earths in its deposits.

The ABx strategy is to commence commercial production of a mixed rare earth carbonate (MREC) as soon as possible, and these leach tests results are a valuable input to the engineering studies underway with external experts.

[6] ASX Announcement, 2 December 2025

Hole	Depth		Location WGS 84 56S			Grade		Extraction rate
	From m	To m	Nth m	East m	RL m	TREY ppm	TREY - Ce ppm	%
RM374	4	5	5413600	478930	229	1,583	1,331	81.2%
RM325	6	7	5411805	481423	243	821	627	78.5%
RM452	8	9	5411080	478025	324	904	722	68.0%
DL605	5	6	5410197	478484	303	922	371	71.8%
RM264	5	6	5409412	481163	226	783	644	70.1%
RM175	7	8	5406210	480826	216	4,634	2,564	25.0%

Table 2: Extraction results
TREY = total rare earths (TRE) + yttrium (Y)
TREY-Ce = TREY minus cerium (Ce)

Test conditions

ABx research lab, Launceston, Tasmania
January and February 2026
Leach volume 80ml, solids dry weight 20 g.
Room temperature. Stirred 15 minutes
Ammonium sulfate 4%. pH 4.0

This announcement is approved for release by the board of ABx Group Limited.

Go to the ABx Investor Hub to watch a video of this announcement and ask any questions of management.

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About ABx Group Limited

ABx Group Limited (ABx) is a uniquely positioned Australian company delivering materials for a cleaner and safer future.

The three priority projects are:

- **Heavy rare earths**: Supplying light and heavy rare earths from Tasmania into Western supply chains
  - Maiden mixed rare earth carbonate produced
  - Processing Options Analysis conducted in partnership with external experts
- **Clean fluorine chemical production**: Producing industrial chemicals from aluminium smelter by-product (ALCORE)
  - Continuous pilot plant under construction in Bell Bay, Tasmania
- **Near-term bauxite production**: Mining bauxite resources for the aluminium, cement and fertiliser industries
  - Agreements executed with Good Importing International for bauxite projects in Queensland and New South Wales, and $2.7 million initial payment has been received
  - Approvals well advanced for DL130 bauxite project in northern Tasmania

ABx endorses best practices on agricultural land and strives to leave land and environment better than we find it. We only operate where welcomed.

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Disclaimer Regarding Forward Looking Statements

This ASX announcement (Announcement) contains various forward-looking statements. All statements other than statements of historical fact are forward-looking statements. Forward-looking statements are inherently subject to uncertainties in that they may be affected by a variety of known and unknown risks, variables and factors which could cause actual values or results, performance, or achievements to differ materially from the expectations described in such forward-looking statements.

ABx does not give any assurance that the anticipated results, performance, or achievements expressed or implied in those forward-looking statements will be achieved.

Competent Persons Statement

The information in this report that relate to Exploration Information and Mineral Resources are based on information compiled by Ian Levy who is a member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Levy is a qualified geologist and a director of ABx Group Limited.

Mr Levy has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking 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. Mr Levy has consented in writing to the inclusion in this report of the Exploration Information in the form and context in which it appears.

Table 3 - Summary of sampling information referred to above, in accordance with LR 5.8.1

Geology and geological interpretation	REE mineralisation occurs in clay layers that overlie a Jurassic age dolerite basement in a district with some residual weathered Tertiary age alkali basalt. Paleochannels host the rare earth element mineralisation.
Sampling and sub-sampling techniques	Drill samples collected at 1 metre intervals are subsampled by quartering twice and returning the rejected half into the drill sample bag. An assay sample and a duplicate assay sample are collected by cutting across the full section of the quartered sample and photographed. Assay results from resampling and bulk sampling by excavator correspond satisfactorily. For leach tests, the duplicate sample is dried and two 30-50g samples collected by riffle splitting, one for the head assay and the duplicate for leaching. Post leaching and filtering, the leached residue is dried, weighed and sent for assay. In addition, the leach pregnant liquor solution is asent for assay by a different ALS lab. The two methods produce similar extraction rates.
Drilling techniques	RC aircore and push-tube coring used. Auger drilling is also used in areas of shallow formation and wet conditions.
Criteria used for classification, including drill and data spacing and distribution.	Not applicable for this report.
Sample analytical method	Assay samples are analysed by NATA-approved induction coupled plasma analytical methods for rare earth elements at ALS labs in Brisbane (method ME-MS81) and LabWest in Perth (method MMA04). Interlab comparisons proved satisfactory. Pregnant liquor solutions are assayed by ALS in Adelaide (method ME-MS02 for REE and method ME-ICP02 for whole-rock analysis
Estimation methodology	Not applicable for this report.
Cut-off grade	Not applicable for this report.
Mining and metallurgical methods and parameters, and other modifying factors	Not applicable for this report. The land is freehold pine plantations.

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling* • *Include reference to measures taken to ensure sample representivity* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *Industry standard work:*	• Resampling stored drill sample for leach test • Samples taken at 1 metre intervals. • Subsampling the metre samples done as per ISO bauxite sampling processes by cone and quartering
Drilling techniques	• *Drill type*	• Reverse circulation aircore
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.*	• Variable weights at 1 metre samples but consistent weights over 3 metre
Logging	• *Whether samples have been geologically and geotechnically logged to an appropriate level for metallurgical studies.* • *Whether sampling is qualitative or quantitative.* • *Total length & percentage of the relevant intersections logged.*	• Logged, sampled, photographed & stored to ISO standards.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn, quarter, half or all core.* • *If non-core, sample method, whether sampled wet or dry.* • *Nature, quality & appropriateness of the sample preparation.* • *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.*	• Drill samples subsampled by cone and quartering twice followed by collecting assay sample and duplicate assay sample by cutting through the quartered subample • Samples for leach testing are collected from the second assay subsample and subsampled by drying and riffle splitting • Some lab reject samples are used for leach tests. Correspondence of leach extraction rates are good.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *Geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis* • *Nature of quality control procedures adopted.*	• Assaying done by NATA-registered ALS laboratories, Brisbane and Adelaide with QA/QC protocols and results on its website • ABx leach tests have been done at the ABx research laboratory in Launceston since 2023 under supervision of ex-CSIRO chemical engineer Dr Daniel Jewell. • Correspondence with leach test results done on the same samples by ANSTO has been excellent due to simplicity of both mineralisation and the technique
Verification of sampling and assaying	• *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.*	• Duplicate subsamples re-assayed the same. • Metal assays from ALS converted to oxides as per industry standards for reporting
Location of data points	• *Accuracy & quality of surveys used to locate drill holes & pits.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Location by GPS
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient.* • *Whether sample compositing has been applied.*	• Drill sampling at 1m intervals considered appropriate and sufficient
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.* • *Does the drilling orientation introduce a sampling bias*	• Vertical drillholes and 1 metre sampling is appropriate for the horizontal layers of REE mineralisation 3 to 10 metres thick
Sample security	• *The measures taken to ensure sample security.*	• Chain of custody protocols were applied to secure the bags of samples.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Duplicate subsamples re-assayed the same • Interlab comparisons satisfactory

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Section 2 Reporting of Exploration Results (Criteria listed in preceding section also apply to this section.)

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.* • *Security of tenure and impediments to obtaining a licence to operate.*	• EL7/2010 and EL10/2021 are 100% owned, unencumbered an in good standing. • A Mining Lease ML2142P/M granted to ABx covers part of EL7/2010 for quarrying bauxite
Exploration by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• ABx sole discoverer and first to explore this area.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• REE mineralisation occurs in clay layers that overlie a Jurassic age dolerite basement in a district with some residual weathered Tertiary age alkali basalt.
Drill hole Information	• *Summary of information for understanding 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 level in metres)* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *If exclusion of this information is justified, the Competent Person should clearly explain why this is the case.*	• Drill locations measured by GPS and are shown in Table 2 • WGS 84 56S grid • RLs by LiDAR • All holes vertical
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg 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.*	• No aggregation or any cutting of assays done • Metal assays from ALS converted to oxides as per industry standards for reporting
Relationship between mineralisation widths & intercept lengths	• *These relationships are particularly important.* • *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 (eg 'down hole length, true width not known').*	• Vertical drilling and sampling is appropriate for the horizontal layers of REE mineralisation
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.*	• See report
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 Exploration Results.*	• All applicable data to date is reported in this report
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.*	• All applicable data to date is reported in this report
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• ANSTO labs conducted bulk column leaching on a 100kg bulk sample to produce a mixed rare earth carbonate (MREC)