METALS AUSTRALIA LTD

ASX Announcement

28 January 2026

ASX:**MLS**

Graphite Project Studies Advancing as Quebec Unveils Strategy to Accelerate Development of its Critical & Strategic Mineral Industry

Studies set for publication in the first half of 2026, perfectly timed to benefit from New Plans announced to develop Critical & Strategic Mineral Projects in the province.

Metals Australia Ltd and its wholly owned Canadian Subsidiary, Northern Resources Inc. are pleased to provide an update on its study programs, now well advanced for its Lac Carheil Graphite (LCG) Project, in Quebec, Canada. The studies cover upstream and downstream projects. Highlights include:

Upstream – Open Cut Mine & 100,000 tonne per annum Flake Graphite Concentrate production plant:

- **A new Mine Plan is well advanced with a Maiden Ore Reserve expected to contribute significantly to the growth of Canada's current graphite reserves of 5.7Mt[1].** The Ore Reserves for the project will be confirmed from **current Indicated Mineral Resource[2]** [24.8 Mt @ 11.3% for **2.8 Mt of contained graphite**]. Refer to proposed open cut pit shell in Figure 1.
- **Tailings** deposition, **Water Management** and **Environmental & Regulatory Plans** are all well progressed and remain the key work programs to finalise the Prefeasibility study **(PFS)** prior to publication.
- **Engineering work product reviews are complete for the 100,000 tonne per annum flake graphite concentrate plant[3]** – with major equipment selected, power demand requirements assessed and CAPEX and OPEX profiles well progressed. A schematic for the Concentrate plant is outlined in Figure 2.
- **Marketing and Pricing studies are near final.** Average Flake Graphite concentrate pricing for the PFS have been forecast at ~ **$1,445 USD per Metric tonne** by Fast Markets [2029-2050]. The pricing is **+63 % above scoping study** [$885 USD/T - 2021][4] but remains below the $1,500 USD per tonne floor price support announced by the Canadian Govt[5]. for offtake related to another graphite project in Quebec.

Downstream – Battery Anode Material (BAM) Refinery – 75,000 tonne Processing Capacity

- Test-work results **confirm Lac Carheil Graphite (LCG) from the upstream project is suitable for battery application.**
- **Engineering designs** for the modularised process plant, **including CAPEX and OPEX** profiles are **undergoing final reviews for the Battery Anode Material refinery (BAM)[6]. Refer Figure 3.**
- Fast Markets have forecast average pricing for **LCG** Coated Spherical Purified Graphite **(CSPG) at between $9,879 and $10,470 USD per tonne for North American markets. The plant will produce around 50,000 tonnes of CSPG per annum[6].**
- The Quebec government's **Critical & Strategic Minerals Plan update** [JAN-26][7] **provides Quebec's clear intention to make the province a strategic hub for critical and strategic minerals.** The plan supports acceleration of projects, seeks to develop the entire value chain and includes infrastructure, logistics and partnering support. The **LCG** Project studies will demonstrate the project's value at a time when Quebec is focused on supporting the development of its critical and strategic mineral projects

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Metals Australia CEO Paul Ferguson commented:

"Excellent progress continues across the wide range of work programs that are advancing for our two studies – the mine and flake graphite concentrate plant PFS and our downstream BAM refinery scoping study.

All programmed work is now well advanced or is being finalised for reporting reviews ahead of final report integration.

Both plants are largely designed – with CAPEX and OPEX profiles being finalised. The new mine plan, based on the substantially enlarged resource is also well advanced – as are the tailings and water management plans. This latter work, together with geochemistry analysis will remain critical path work to complete the studies and is a function of efforts in 2025 to grow the projects Mineral Resource substantially – now 3.3 times larger than that used in the scoping study. It covers just 2.3 km on 1 of 10 graphite trends over 36 km that have been mapped and sampled[8].

We have also invested considerable effort investigating market options for our flake graphite concentrate – with approximately 25% of product, large and medium flake, projected to be sold into high value industrial markets in north America and Europe[2]. The balance, 75%, fine concentrate, will be feedstock for our downstream refinery[6].

Price forecasts have been developed from 2029 onwards. The revised mine plan is expected to support an initial project life of 20 to 25 years, as shown by our indicated mineral resources and previous work to assess the Reasonable Prospects for Eventual Economic Extraction (RPEEE)[2].

We remain on track to publish both studies during the first half of 2026. The studies will outline the value of LCG Project at a time when Canada and the province of Quebec are actively advancing strategies to accelerate the critical minerals industry development – now with increased collaboration of Europe and Asia - including China."

Open-Cut Mine Planning.

DRA Americas Inc. are well progressed with the design of a single, large scale open cut mine – Refer Figure 1 below. The Mine will contain most of the projects Indicated Mineral Resources – 2.8 Mt of contained graphite[2]. The study will confirm the conversion of those resources into Mining Reserves to align with NI43101 reporting requirements.

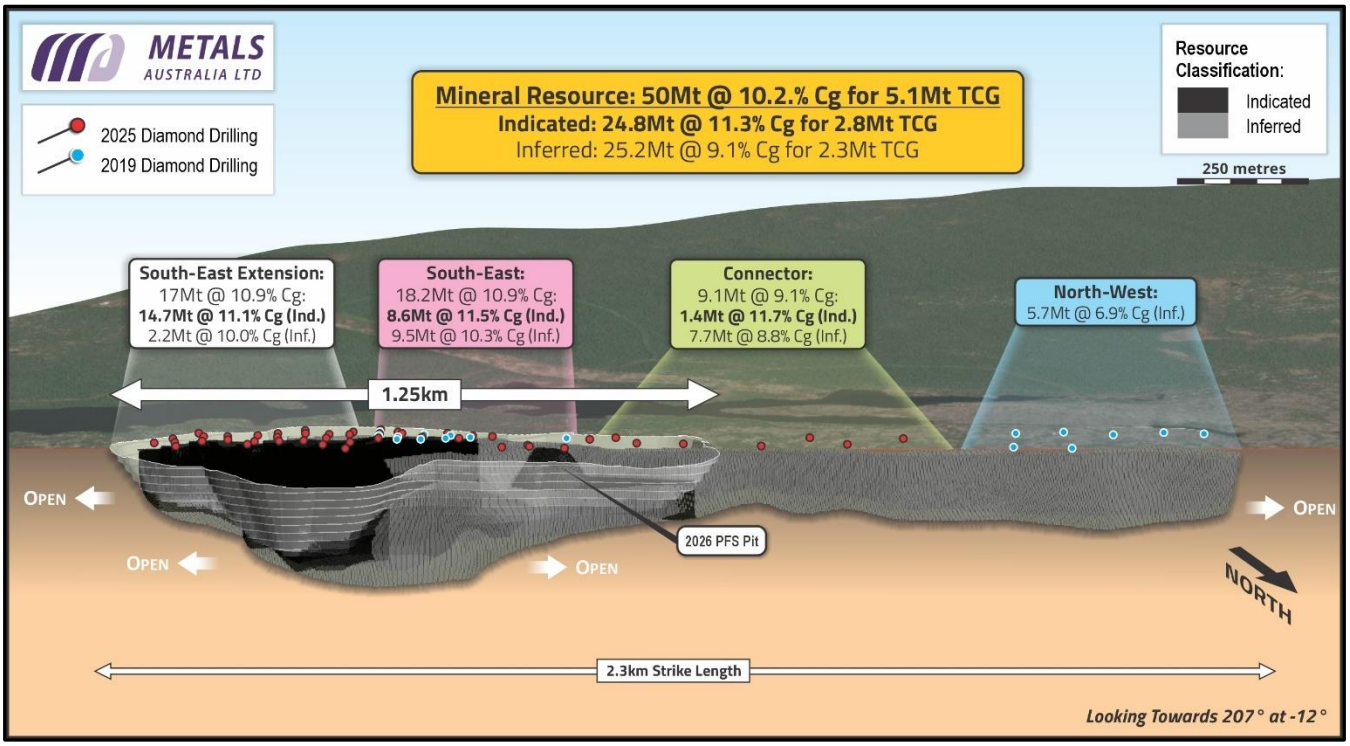

Figure 1: The Open Cut-Mine design is focused on extracting the Indicated Resources[2] in South-East and South-Eastern extensions

Given previous RPEEE (Reasonable Prospects for Eventual Economic Extraction) work used to assess the economic potential of the resource[2] – and the new forecast average prices for flake graphite concentrate, it is anticipated that there will be high conversion of the Indicated Mineral Resource into Probable Ore Reserve category.

The indicated portion of the new resource – at 2.8 Mt of contained graphite – represents a more than 1.5 Mt increase (+122.6%) over the previous indicated resource (1.2576 Mt of contained graphite)[9]. The *Ore* Reserves for the project will be declared by DRA as part of their mining study – and will be published in the PFS under JORC and NI 43-101 reporting guidelines. The Reserves will reflect the portion of the Mineral Resource that can be economically extracted for processing. For NI 43-101 reporting (Canadian guidelines), Mineral Resources classified as either measured or indicated can be assessed for conversion to *Mineral* Reserves (proven or probable). The current mining plan development shows that around 2.6 Mt of the contained graphite will be included in the proposed open-cut mine design (this figure is not a 'Reserve' until finally reported by DRA Americas INC.). The project life would then be guided by a mining consumption rate to produce 100,000 tonnes per year. The study life will be confirmed in the PFS but is anticipated to be in the range of 20 to 25 years or close to double the 13-to-14-year project life outlined in the scoping study.

The two South-East zones under initial focus for the mine design include **inferred** mineral resources of an additional 1.45 Mt of contained graphite (Refer Figure 1). These tonnes will not be assessed for Mineral Reserve conversion for the NI 43-101 study – which is ultimately required for approvals and funding in Canada, Quebec. These tonnes will be analysed for their economic potential for future conversion to indicated Mineral Resources and subsequent translation to reserves. This analysis may provide a business case for a limited follow up drilling program, especially if these tonnes are capable of delivering increased value into the early years of a mining schedule. This work may be considered for the planned definitive feasibility assessment.

Remaining studies – Tailings / Water Management / Social & Environmental.

In parallel with the mining study, GS2 consultants are working on the design for dry tailings material co-deposition with waste rock hauled from the mine. The Flake Graphite concentrate plant is designed to produce two dry tailings streams. The two products are separated into High and Low Sulphur content stockpiles. Approximately 35% of the tailings produced will be Low Sulphur Tailings (LST)[10]. The balance will be High Sulphur Tailings (HST) that will require more careful deposition planning and sequencing. The tailings will be co-disposed with waste rock from the mine to ensure minimal impact to the environment over time.

A geochemistry analytical program which is evaluating the types of rock material that will form the waste rock in the planned pit shell is supporting the above design work. Representative sample of core, covering the extent of the mining zones is being analysed by ALS laboratory in Burnaby, British Columbia. The program is being managed by the Company's environmental consultants, Norda Stelo. The program will help inform the designs being developed by GS2 by assisting characterisation of rock material for the co deposition. Results are due in February.

GS2 are also developing overall site water management plans – which will include water management via drainage systems covering the mine and disposal areas, as well as the process plant and associated utility infrastructure areas. Designs associated with these important work scopes are intended to be complete this current quarter, with reporting completed in early Q2 for integration within the final PFS report.

In addition to the active study work underway for the mining plan, PFS studies addressing Social and Environmental Impacts have also been undertaken. These form part of the early-stage planning efforts in preparation for future structured consultation and engagement activities with Indigenous Rights Holders and other stakeholders. These activities will contribute to the formal Environmental and Social Impact Assessment required under Québec's Environment Quality Act. The study work includes stakeholder mapping and engagement with Indigenous Rights Holders and stakeholder groups, carried out over the past 18 months.

The study aims to identify where further effort will be required to continue building awareness of and alignment for the project. This work has been conducted by Transfert Environment & Society (*Transfert Environnement et Société*) based in Quebec. This work will be ongoing – with further engagement meetings planned in both Baie-Comeau and Sept-Iles in Quebec during the second half of February. The engagements will include meetings with representatives

from indigenous communities – and key stakeholders including service providers (e.g. Port, Rail, Industrial facility representatives) and local government agencies.

The Environmental work scopes conducted for this level of study, in addition to the more detailed geochemical assessment as outlined above – are focused on higher level assessments of the regulatory frame work that the project will need to comply with (Federal and or Provincial) and detailed desk top assessments for the project region – including all relevant and nearby project assessments, surveys, monitoring stations etc. This approach helps pinpoint areas of more detailed focus that will be required ahead of project approval. A detailed plan and schedule for all necessary surveys and baseline studies will also be established for future work. Work related to the environment is being completed by Quebec based consultancy, Norda Stelo

Positively, the Federal government in Canada is actively supporting critical mineral project approval timelines. The Federal government recently announced a Major Projects Office (MPO) and Fast Track Approvals through "one project, one review" approval basis[11]. While yet to be confirmed, the approval process applicable for the Lac Carheil Graphite project will likely be at the provincial level – through the Quebec Ministry of Environment and the Fight against Climate Change, Wildlife and Parks *(Ministère de l'Environnement, de la Lutte contre les changements climatiques, de la Faune et des Parcs or MELCCFP).*

Pre-emptively, the company recognised the sensitivity of the region that the project is proposed in, especially as part of the broader water shed for the Moise River – some 30 km to the Southeast of the project site. The design of dry tailings production is a key feature of the project – which aims to mitigate the potential for water impacts associated with open tailings dam, which is a feature of large-scale iron ore projects in operation immediately to the north.

Flake Graphite Concentrate Plant

Key engineering deliverables are all passing through final reviews – with feedback on the Major Equipment List the last item completed in early January. Lycopodium Minerals Canada Inc. are now finalising CAPEX and OPEX profiles for the study and this work is expected to be completed during February. A graphical representation of the Flake Graphite Concentrate plant, together with its major process components has been provided in Figure 2 below.

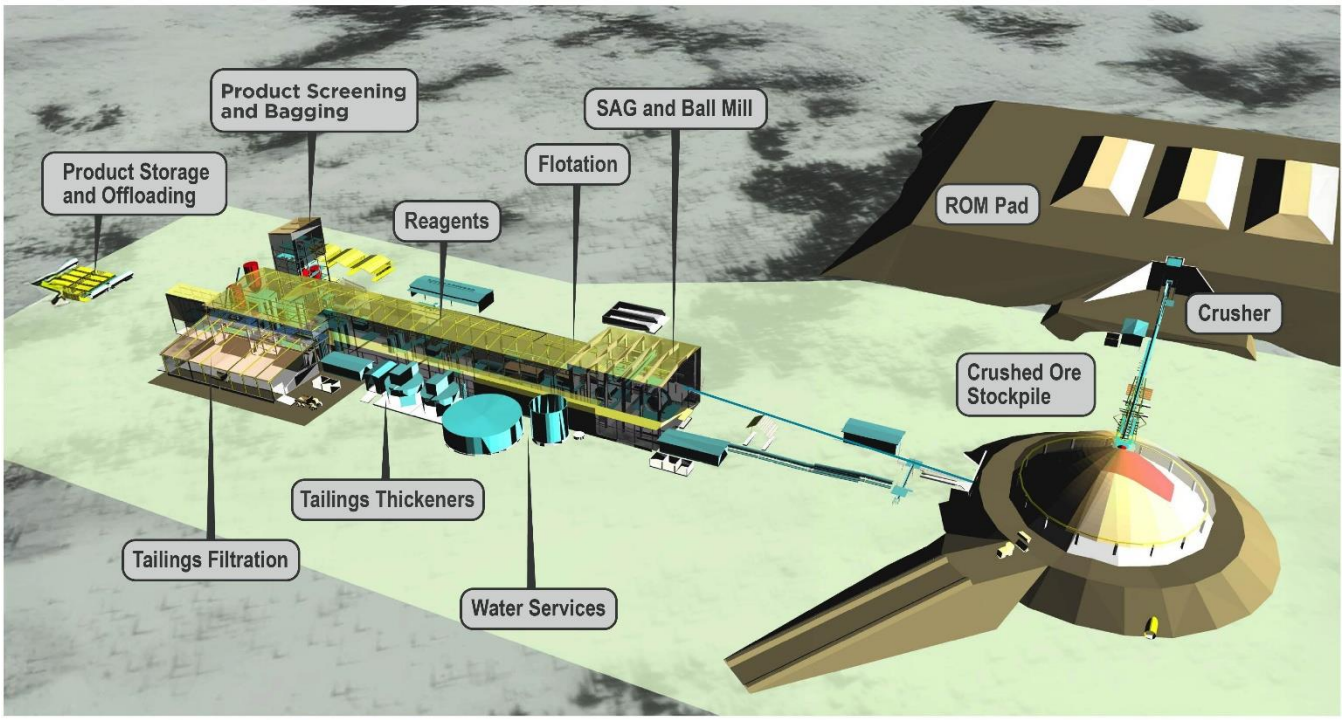

Figure 2: Lac Carheil Graphite Project – Graphical representation of 860,000 tonne Flake Graphite processing plant which will produce 100,000 tonnes per annum of high purity graphite concentrate products (> 95% TGC).

Based on work completed to date, the Process Design Criteria has outlined a plant design capable of processing approximately 860 Kt per annum of graphitic ore at an average run of mine ore grade of 11.5% TGC. The plant size is smaller than the plant proposed in the scoping study (912.5 KTA)[4] but produces the same output. The new plant is based on the improved graphite recovery demonstrated in test work at 96.7% (comparted to 86.3% previously) to produce around 100,000 tonnes per annum of graphite concentrate products at an average grade of 95.4% TGC[2].

While it is anticipated that the 2026 capital cost for the Flake graphite concentrate plant will increase compared to the 2020 pricing used in the 2021 scoping study ($76.9 M USD – Plant only)[4], the plant size reduction due to improved graphite recoveries will act as an offset against inflation (2020 to 2026 pricing) or project design enhancements (e.g. production of dry tailings). Total CAPEX outlined in the Scoping study for the entire project was $189.8 M USD (including contingency of $31.2M)[4].

A good recent reference point for a Flake graphite concentrate project being built in Quebec is Nouveau Monde's (TSX: NOU) **2.56 Mt** per annum processing plant [Producing ~ 106 Kt of concentrate]. According to their DFS report[12], the Mine and plant (Matawinie) will extract and process ore at a feed grade of 4.33**% TGC.** NOU reported CAPEX for the Mine and Flake graphite concentrate plant at **$415.1 M USD**. By comparison, the Lac Carheil Graphite Project plant and mine will be significantly advantaged by a much higher feed grade at 11.5% TGC [2.66 times greater than that of the Matawinie Mine]. This will result in much lower capital investment requirements, since less ore needs to be mined and processed to produce a similar level of concentrate. So, while cost for LCGP is expected to be higher than the earlier study, it is anticipated to be well below that of the only other graphite project in Quebec that is developing.

Transport Planning

The transportation of concentrate products – via road or rail – to a preferred port location for either direct sale (coarse and medium concentrate products) or for transformation in the Battery Anode Material plant – and then sale, is at an advanced stage.

Transportation represents the most significant cost for the project after mining and processing. In the scoping study, transportation for concentrate was estimated at $96 USD / T of concentrate – or around 22% of the total OPEX cost for the project[4].

The two options investigated are railing or, alternatively, trucking the concentrate. In both cases, the product is moved in 1 tonne Graphite Super Sacks (Bulk Bags). Railing would require trucking the concentrate from the project site to the nearest rail yard – in Labrador City. The concentrate would then transfer by rail before offloading and then further trucking to a Battery Anode Material plant (in the case of BAM feedstock) or for warehousing and shipment (coarse and medium concentrate). Road freight would require loading the product to be transported directly by road on the 389 Highway. The Highway is presently being upgraded with all road work completed by late 2028, ahead of our project commencement.

A commercially attractive rail option would favour Sept-Iles, which is directly connected via rail, while a direct road freight option would favour Baie-Comeau, given the 389-highway originates in Baie-Comeau. Trucking to Sept-Iles would require haulage a further 200km to the east from Baie-Comeau, making Sept-Iles a more expensive option.

Rail is limited to one option and would require the concentrate to be transferred as general freight (i.e. not bulk product, like Iron Ore) from Labrador City to Sept-Iles. General freight capacity is limited and would likely require significant capital investment to provide needed infrastructure and rolling stock additions to enhance system capacity. While this can be achieved it will result in a requirement to contribute substantial capital for this investment.

By comparison, road freight options have been investigated in detail – with a 3rd party logistics provider conducting a separate study on our behalf. Road freight options are numerous, with a number of medium and large trucking companies already conducting business in the Cote Nord region expressing interest in the project. It's also noted that many trucking companies transport freight north (to Fermont, Wabush and Labrador City – and the associated iron ore mines) but often do not have back haul opportunities for the return journey. The LCG Project represents a significant and reliable back haul opportunity for trucks capable of transporting super sacks. While our budget pricing for the study will assume dedicated haulage for the concentrate, in practice there will be many options available through commercial

negotiation to improve pricing, given the back haul flexibility available from a 24/7 operation that can load freight – and the many trucks currently backhauling empty to Baie-Comeau.

Further discussions are planned to occur during February, in Quebec, to assess the options available for this level of the study.

Marketing & Pricing Studies – For both Projects

Two final studies relating to product marketing and product pricing are also in the final stages of evaluation and reporting.

Revenue for the projects has been carefully investigated – with detailed marketing assessments made for our production by Lone Star Technical Minerals (LSTM), a company with close to 30 years of experience in marketing, and sales in the graphite industry. Lonestar have deep insight into product trends and pricing – including market identification where LCG Project product is likely to be best positioned for entry. Supporting this detailed assessment is high level pricing forecasting for the project – now completed by Fast Markets.

Fast Markets have forecast product pricing trends for the concentrate fractions and Coated Spherical Purified Graphite [CSPG] products that are proposed to be produced from the LCG Project. Price averages for the forecast period (2029 to 2050) – and LCG Projects mix of products produced result in an average Flake graphite concentrate price of ~$1,445 USD per tonne for the 100,000 tonnes of annual concentrate production. Similarly, Fast Markets forecast CSPG sales price averages of between ~ $9,980 and $10,470 USD per tonne for the CSPG Production each year. Economic models for the two projects will utilise the annual forecasts supplied by Fast Markets, with the upstream project transferring -100 µm concentrate to the downstream project at forecast pricing for that size fraction.

To compare the pricing forecast used in our study a comparison has been made to the Nouveau Monde project based in Quebec - that is set to commence development. That project is forecast to produce just under 106 Kt of flake graphite concentrate annually. The average price outlined in their study was forecast at $1,469 USD per tonne when their study was updated in March of 2025. Since then, the project has been underpinned by the Canadian Federal government which is underwriting a price floor of $1,500 USD per tonne of concentrate for up to 30,000 tonnes of flake graphite annually, for the projects first seven years of operation. Both prices are above the average proposed for LCG Project (~1445 USD/T). Active Anode Material price average for the Life of Mine of their project is outlined at $10,106 USD per tonne.

The Canadian Federal government classified the Nouveau Monde project a “Major Project of National Interest” on November 13th, 2025. The Canadian Federal Government Critical Minerals Strategy Annual Report outlines a need for 5 graphite mines and 5 coated spherical purified graphite plants by 2040.

Notably, from similar levels of concentrate production – but lower planned CSPG sales (44,100 tonnes), the Nouveau Monde study reported a project Nett Present Value (NPV) After Tax (AT) using an 8% discount factor for future cash flows, yielding a project NPVAT-8 result of nearly 1.05 billion USD[12].

LCGP – Coated Spherical Purified Graphite Plant (BAM Refinery) Perfectly aligned with strategy

Laboratory testing and Engineering design work has been advanced with laboratory reporting issued and preliminary Capital Cost estimates prepared for early reviews. The Scoping study is on schedule for completion during the current quarter - with publication of the study to follow in early 2nd quarter based on current progress.

Previously reported test work[6] focused on milling, shaping and purification – all of which achieved or exceeded required parameters for CSPG. The work resulted in the production of two products – a medium SG product (SG18) and a fine product (SG10) with a combined yield recovery of 72% (% of flake graphite concentrate recovered into SG product). For reference, Electric Vehicles typically utilise CSPG products in the ~ 18 µm range (D50) while Hybrid vehicle or consumer electronic batteries use finer products, like ~ 10µm (D50).

The SG18 purified graphite product was then used for coating and electrochemical testing. Coating (pitch tar) was applied in various additions – 5, 7.5 and 10 wt. %. All tests achieved a CSPG product meeting surface area (BET) threshold of market specifications – generally less than 3 m^2/g. The 7.5 wt. &% pitch product was then advanced for electrochemical testing.

Testing comprised the following key steps:

- Differential capacity analysis
- Determination of formation capacity and first charge efficiency
- C-rate test
- Determination of cycling performance

Differential capacity analysis was conducted in full cell setup (PAT cell) and the test work indicated the kinetics of the CSPG are favourable as active material in Lithium-ion batteries. The testing evaluates electrochemical behaviour during charge and discharge (dQ/dV vs. Voltage).

Standard formation in full cell setup revealed the CSPG yield a first cycle efficiency (FCE) of **95%** which is like or exceeding the performance of reference materials. The initial discharge capacities (IDC) were measured with **362 mAh/g.** Both **values are above typical benchmarks for coated reference materials**, indicating excellent electrochemical performance during the initial formation cycle.

Rate capability testing demonstrated that the capacity drop at different C rates (current rates) is lower, indicating favourable rate performance and efficient lithium-ion transport within the electrode structure. Rate capability, also known as power capability, refers to a battery's ability to deliver or accept a charge at a specific rate. It is typically measured in terms of C rate, which represents the current at which a battery is charged or discharged relative to its capacity. For example, a C-rate of 1.0 C means a battery is fully charged or discharged in one hour, while a C-rate 2.0 C indicates a full charging or discharging time of 30 minutes.

CCCV cycling (Constant Current, Constant Voltage) in full cell configuration shows favourable behaviour in cyclability for the sample. After 100 cycles, full cells contained 99.5% of initial capacity, which exceeds expectation for this kind of testing and material.

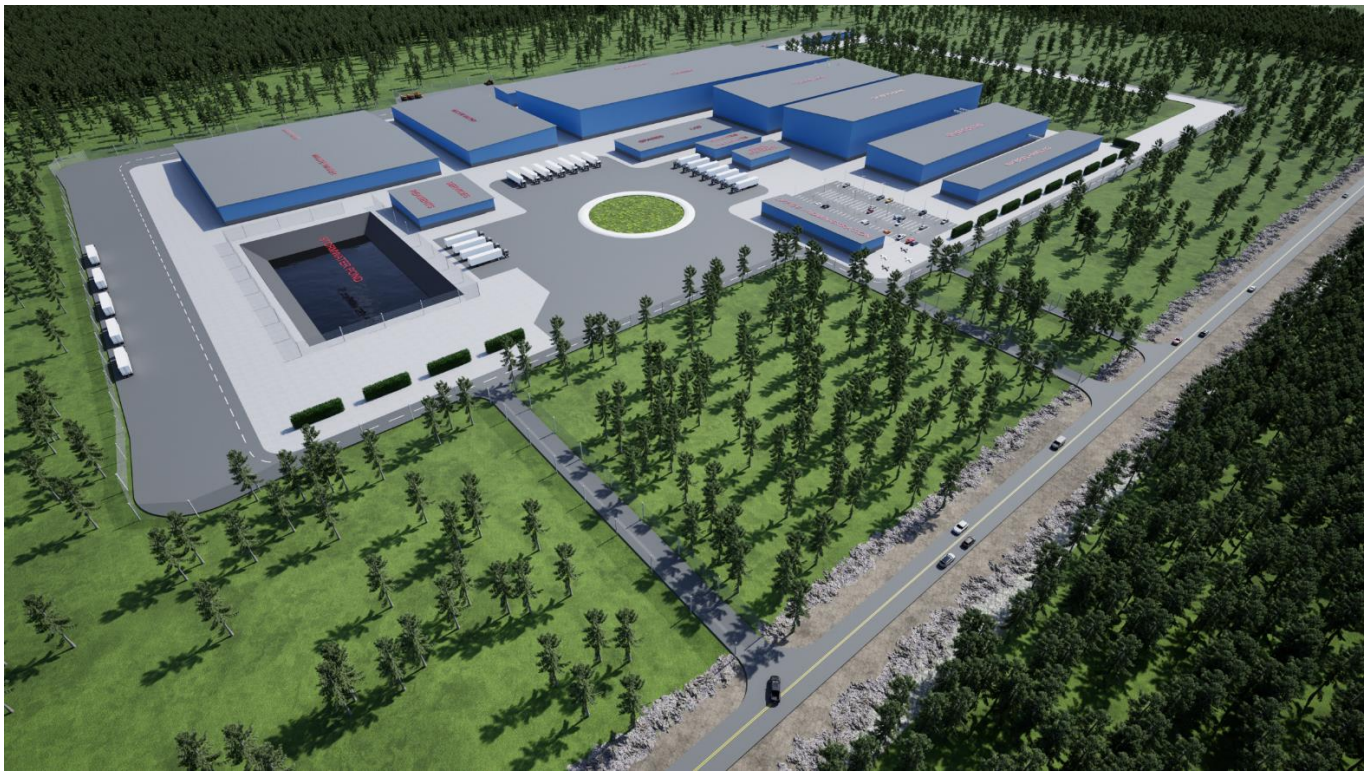

Figure 3: Lac Carheil Graphite Project – Battery Anode Material Refinery. A Graphical rendering of the proposed 75,000 tonne per annum Concentrate upgrading facility which is planned to produce more than 50,000 tonnes of CSPG products annually.

Future work, anticipated to advance testing beyond the scoping study and through feasibility will investigate the use of large quantities of concentrate sample to permit a wide range of full cell configuration testing to be investigated to confirm long-term stability and performance for commercial applications. Work completed so far indicates that the LCGP product can produce high quality CSPG material for a range of battery applications.

The results from the testing program have been used to design the modularised Battery Anode Material Refinery, planned to consist of three production trains, each of 25,000 tonnes per annum processing capacity. The trains will incorporate concentrate receival and preparation, milling, shaping, purification, coating and packaging processing stages – to produce more than 50,000 tonnes of CSPG products annually.

Designs for the project are well advanced, with all major equipment identified and costed. CAPEX reviews are currently well advanced, while the majority of OPEX items have also been fully costed and include labour cost inputs from a Quebec based consulting firm with significant experience in the Cote Nord region.

Remaining items for costing include land and final utility requirements – all of which will be identified and completed during February. Provisional 3D models for the BAM refinery are also under development.

Critical and Strategic minerals – A promising strategy to propel Quebec among world leaders.

On Friday, January 23rd, in Sept-Iles, the Minister for Quebec Ministry of Natural Resources and Forests [Jean-Francois Simard] and the Minister for families and the Capitale-National region [Kateri Champagne Jourdain] announced a substantial update to the province's strategy for the development of critical and strategic minerals[7].

The strategy included an action plan, clearly articulating the provinces intention to make Quebec a world leader in the energy and technology transition. Through this strategy, Quebec is choosing to take control of its economic future, develop its resources and create sustainable wealth for all Quebeckers.

Critical and Strategic Minerals (CSM's) are at the heart of the clean technology and electrification revolution. Quebec has been a world leader in this arena for decades – its world class hydroelectric infrastructure powers more than 95% of the provinces power needs.

This updated strategy now aims to accelerate projects and strengthen mineral processing and recycling in Quebec, further consolidating Quebec's reputation as a reliable, responsible and strategic partner for its economic allies.

The government is supporting this ambition with a budget of $88.1M and action plans structured around four priorities:

1. Improve the business environment and accelerate projects.
2. Develop the entire CSM value chain
3. Deploy strategic infrastructure and logistics corridors
4. Engage Partners

The strategy aims to create high-quality, well-paying and sustainable jobs, particularly in the resource's regions, including Quebec's North and Northern Coast, where the project is located. It also focuses on increasing the participation of indigenous communities, dialogue with host communities and environmentally responsible development.

The Lac Carheil Graphite Project is now exceptionally well positioned, with its project studies set to demonstrate the significance of this world class project, capable of supporting Quebec and Canada's graphite needs for decades and potentially centuries to come – based on the vast, untapped holdings within the project claims areas – that span more than 30km N-S by 20 km W-E adjacent to one of Quebec's premier resource regions[13].

End of Release

Upcoming News flow

The company is presently working on the following updates:

- Quarterly Report – Due 30 January.
- Manindi VTM – Drilling Assay Results from completed Manindi Vanadium, Titanium & Magnetite project – early February.
- Investor Presentation Update – for PDAC and Broker Briefing Sessions (PDAC March 1-4, Toronto Canada).

About Metals Australia Ltd

Metals Australia Ltd (ASX: MLS) has a proven track record of Critical Minerals and metals discovery and a quality portfolio of exploration and advancing pre-development projects in the highly endowed and well-established mining jurisdictions of Quebec – Canada, Western Australia and the Northern Territory, Australia.

The Company – through **its Canadian subsidiary, Northern Resources Inc.,** is advancing the development of its flagship **Lac Carheil high-grade flake-graphite project** in Quebec, a high-quality project which is well placed for the future delivery of premium, battery-grade graphite to the North American lithium-ion/EV battery market, and other flake-graphite products.

During 2025, the Company reported a significant increase to its Mineral Resource Estimate for the project[2] - The Total Mineral Resource Estimate (MRE) is **50 Mt at 10.2% TGC for 5.1 Mt of contained graphite** [including Indicated of 24.8 Mt at 11.3% for 2.8 Mt & Inferred of 25.2 Mt @ 9.1% TGC for 2.3 Mt]. The new resource is 3.3 times larger than the maiden mineral resource it replaces [Prior Indicated & Inferred total of 13.3 Mt @ 11.5% for 1.5 Mt][9] The original resource underpinned a Scoping Study which outlined a 14-year project life[4].

The 2025 drilling program – used to define the significantly expanded MRE – confirmed a combined, continuous strike length of graphitic units over 2.3 km in length (open to the NW and the SE)[2]. In addition to the now updated MRE, the company has previously reported widespread and exceptionally high-grade graphite sampling results from Lac Carheil, including 10 results of over 20% Cg and averaging 11% Cg **across a 36km strike-length on 10 graphitic trends identified within the project**[8]. The new MRE has been defined from drilling on just one of the ten graphite trends, extending over 2.3 km of the 36 km of graphite trends mapped and sampled.

The Company has finalised a metallurgical test-work program on Lake Carheil, building on previous work which has generated high-grade **flotation concentrate results of up to 95.4% graphitic carbon (Cg)** with an overall **graphite recovery of 96.7%[2].** The test work has demonstrated that 28.9 wt.% of the concentrate is in the medium to coarse concentrate size, while 71.1% is -100 Mesh and suitable for feedstock into Battery Anode production[2]. The company recently provided an update related to test work for its planned Battery Anode Material plant[6]. Key outcomes from the most recent test work **confirmed a combined product yield of 72% of the concentrate being converted into spherical graphite products** and the establishment of a preferred purification process which has achieved 99.99% Fixed Carbon Spherical graphite product (SG18)[6]. Further test work has recently been completed by Anzaplan in Germany validate electrochemical performance of the SG product in Battery Anode application. This release includes updates for the project studies now advancing as well as providing a summary on battery test work that has now been successfully completed, confirming the suitability of Lac Carheil graphite derived CSPG products for use in battery applications. Lycopodium is now well advanced with a pre-feasibility Study (PFS) for the flake-graphite concentrate plant[3]. Dorfner Anzaplan is also now well advanced with the Project Economic Assessment (scoping study) for the Battery Anode Material Plant[6].

The company also provided information related to broader mineralisation that has been observed within the graphite zones[10]. Multi element analysis over two full holes (LC-25-38G and LC-25-46) has demonstrated the presence of precious metals (Silver and Gold), together with base metals (Copper, Zinc, Vanadium and Nickel) and Gallium are present in elevated anomalous levels[10]. The significance of the observation is that the minerals will all be recovered

and concentrated as part of the graphite mining and processing operation. Further test work is now planned to assess optimum concentration and recovery steps that can be deployed and to assess the economic opportunities for the minerals. Benefits of alternate disposition options being identified would include reduction in the quantity of tailings needed to be disposed of at the site – and savings in the costs of that disposal.

The Company also holds the Corvette River Project which contains multiple gold, silver and base metals exploration projects in the world-class James Bay region of Quebec. The Company has mapped multiple gold, silver and base metals corridors – with Gold at West and East Eade and Gold, Silver and base Metals at the Felicie prospect[14].

The Company's other key projects include its advanced **Manindi Critical Minerals Project** in the Murchison district of Western Australia. The project includes an **emerging Vanadium-Titanium-Magnetite exploration target** that has now been through drilling program[15]. The drill program results have confirmed mineralization extending over approximately 1000m along strike on a northwestern-southeastern orientated magnetic anomaly that has been identified over approximately 2km in length[15]. True width of interpreted mineralization ranges between 75 to 95m[15]. Depth of cover to mineralization has been measured at between 16.5m and 52m vertical depth, with mineralization extending to an overall depth below surface of around 250m[18]. Metallurgical test work on the project to date has confirmed that two high quality concentrate products can be produced – **(P1): TiO_2 bearing ilmenite concentrate and (P2): V_2O_5 bearing magnetite concentrate**[16]

The Company is also conducting further studies on its high-grade zinc Mineral Resource of **1.08Mt @ 6.52% Zn, 0.26% Cu, 3.19 g/t Ag** (incl. Measured: 37.7kt @ 10.22% Zn, 0.39% Cu, 6.24 g/t Ag; Indicated: 131.5kt @ 7.84% Zn, 0.32% Cu, 4.60 g/t Ag & Inferred: 906.7kt @ 6.17% Zn, 0.25% Cu, 2.86 g/t Ag)[17].

In late December 2025 the company provided drilling results from its Warrego East project in the Northern Territory of Australia[1]. The Company completed drilling on 5 undercover targets established following geophysical surveys (magnetics and gravity) and interpretation. Results have demonstrated deeper potential at Warrego East, where elevated Copper, Cobalt and Zinc results have been interpreted to be consistent with mineralized haloes that have been observed at other discoveries in the Tennant Creek area.

This announcement has been approved for release by the Board of Directors.

References

[1]*Battery Metals Association of Canada – From Rocks to Power - Strategies to Unlock Canada's Critical Minerals for Global Leadership in Energy Storage, EV's & Beyond, Page 75 – Estimated Reserves & Mining Production of Natural Graphite by Country in tonnes – June 2025*
[2]*Metals Australia Ltd, 19 Aug 2025 – Graphite Resource Expansion Sets Project up as World-Class.*
[3]*Metals Australia Ltd, 8 May 2024 - Major Contracts Awarded to Advance Lac Carheil*.*
[4]*Metals Australia Ltd, 3 Feb 2021 -Scoping study results for Lac Carheil Graphite Project**
[5]*Nouveau Monde Graphite, 31 Oct 2025 – NMG Finalises Multiple Offtake Agreements for its Phase-2 Graphite Production Demonstrating strong support from Canadian Government and Customers*
[6]*Metals Australia Ltd, 11 Sep 2025 – Battery Anode Material Refinery – Design & Location Update.*
[7]*https://www.quebec.ca/en/news/actualites/detail/critical-and-strategic-minerals-a-promising-strategy-to-propel-quebec-among-world-leaders-68132*
[8]*Metals Australia Ltd, 16 Jan 2024 – Exceptional 64.3% Graphite and New Drilling at Lac Carheil*.*
[9]*Metals Australia Ltd, 15 Jun 2020 - Metals Australia Delivers High-Grade Maiden JORC Resource at Lac Carheil.*
[10]*Metals Australia Ltd, 30 Sep 2025 – Precious, Base & Critical Minerals in Carheil Graphite Zones.*
[11]*https://www.canada.ca/en/privy-council/major-projects-office.html*
[12]*Nouveau Monde Graphite (NYSE: NMG) – 25 March 2025 NI 43-101 Updated Technical Feasibility Study Report for the Matawinie Mine and the Bécancour Battery Material Plant Integrated Projects*
[13]*Metals Australia Ltd, 23 Dec 2024 – Lac Carheil Expanded Footprint, Drilling Fully Permitted*
[14]*Metals Australia Ltd, 11 Oct 2024 – New Gold-Metal Results highlight Corvette Potential.*
[15]*Metals Australia Ltd, 6 Nov 2025 – Titanium-Vanadium-Magnetite Discovery Extended over 1 km.*
[16]*Metals Australia Ltd, 16 May 2025 – Manindi Ti-V-Fe Discovery Delivers High-Grade Concentrates*
[17]*Metals Australia Ltd, 17 April 2015 - Manindi Mineral Resource Upgrade*
[18]*Metals Australia Ltd, 19 Dec 2025 – High Copper Anomalies Show Deeper Potential at Warrego East*

Note: Prior references to Lac Rainy Graphite Project are updated in this list to Lac Carheil Graphite Project.*

Further Information:

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ASX LISTING RULES COMPLIANCE

In preparing this announcement the Company has relied on the announcements previously made by the Company listed under "References". The Company confirms that it is not aware of any new information or data that materially affects those announcements previously made and, in the case of estimates of mineral resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed, or that would materially affect the Company from relying on those announcements for the purpose of this announcement.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This document contains forward-looking statements concerning Metals Australia Limited. Forward-looking statements are not statements of historical fact and actual events, and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties, and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on the company's beliefs, opinions and estimates of Metals Australia Limited as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

COMPETENT PERSON STATEMENTS

The information in this document that relates to metallurgical test-work is based on, and fairly represents, information and supporting documentation reviewed by Mr Oliver Peters M.Sc., P.Eng., who is a member of the Professional Engineers of Ontario (PEO). Mr Peters is the principal metallurgist and president of Metpro Management Inc., who has been engaged by Metals Australia Ltd to provide metallurgical consulting services. Mr Peters has approved and consented to the inclusion in this document of the matters based on his information in the form and context in which it appears.

The exploration results presented in this report are from drilling completed in 2025 and previously reported for graphitic mineralisation. No new drilling has taken place.

The information in this report that refers to exploration results and previous disclosures is based on, and fairly reflects, information compiled and reviewed by Mr Chris Ramsay. Mr Ramsay (BSc (Geol), M.App.Proj.Mngt, FAusIMM) is a Fellow of the Australasian Institute of Mining and Metallurgy, is the General Manager of Geology at Metals Australia Ltd. Mr Ramsay holds shares in the company. Mr Ramsay has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Ramsay consents to the disclosure of the information in this Report in the form and context in which it appears.