Auger Drilling Program Completed at Fotinho

Testing District-Scale Rare Earth Potential Across the Adriano-Fotinho Corridor

- **MRG has been conducting exploration activities via a hand-auger drilling program at the 100% owned Fotinho Rare Earth Project (11000L) in Mozambique, with 53 auger holes across the licence.**
- **All samples have been dispatched to the laboratory in South Africa, with initial Total Heavy Mineral (THM) assay results expected in June 2026.**
- **Drilling targeted alluvial deposits along multiple river systems within the Fotinho licence, including the Mucombee and Mecombeze rivers, which form part of the same drainage catchment as the adjacent Adriano licence (11002L) where high-grade alluvial rare earth and heavy mineral deposits have been confirmed from 5 alluvial targets. Weighted average grade from these targets returned >4.0% THM over an average thickness of 2.9m (refer ASX Announcements 9, 16, 23 and 27 October 2025; 4 March 2026).**
- **Final mineralogy from Adriano confirmed 32.2% Total Valuable Heavy Minerals (VHM) in the Heavy Mineral Concentrate (HMC), including 1.9% Monazite, 2.3% Rutile and 1.9% Zircon, with 1.46% Total Rare Earth Oxide (TREO) and magnet rare earth oxides of 103 ppm Tb_2O_3+Dy_2O_3 and 3,264 ppm Pr_2O_3+Nd_2O_3 (refer ASX Announcement 13 May 2026).**
- **Earlier stream sedimentary sampling across the Adriano-Fotinho catchment returned anomalous TREO in all 42 samples, with 74% above 1,000 ppm TREO, a peak of 32,393 ppm TREO and a strong magnetic rare earth component of approximately 22% (refer ASX Announcement 17 October 2024).**
- **Fotinho assay results, combined with the confirmed Adriano mineralisation, will provide the first test of district-scale rare earth potential across the combined licence area.**

MRG Metals Limited (ASX: MRQ) ("MRG" or "the Company") is pleased to advise the progress of exploration activities via hand-auger drilling program at its 100%-owned Fotinho Rare Earth Project (licence 11000L) in Mozambique.

The program comprised 53 auger holes (**refer Table 1**), drilled between February 2025 and March 2026. Several holes showed panned Heavy Mineral Concentrate (HMC) responses (**refer Figure 2**). All samples have been despatched to the analytical laboratory in South Africa, with Total Heavy Mineral (THM) assay results expected in June 2026.

Fotinho Drilling Program

- The Fotinho licence (11000L) sits directly adjacent to MRG's Adriano licence (11002L), where high-grade alluvial rare earth and heavy mineral deposits have been confirmed through 46 auger holes across 5 alluvial targets (**refer ASX Announcements 9, 16, 23 and 27 October 2025; 4 March 2026**).
- Together, the two licences form a large, continuous drainage catchment with demonstrated rare earth potential.
- Drilling targeted alluvial deposits along multiple river systems within Fotinho, including the Mucombee and Mecombeze rivers. These form part of the same catchment that produced highly anomalous stream sedimentary results in all 42 samples, with 74% above 1,000 ppm TREO, a peak of 32,393 ppm TREO and a magnetic rare earth component of approximately 22% (**refer ASX Announcement 17 October 2024**).
- Holes were drilled to an average depth of 1.6m, with a maximum depth of 4.3m (**refer Table 1**).
- Most holes terminated in hard rock, gravel or the water table, consistent with the shallow alluvial deposit geometry observed at Adriano.
- Several holes showed panned Heavy Mineral Concentrate responses (**refer Figure 2**).
- Five rock outcrop samples were collected, including pegmatite material at multiple locations across the licence.

Table 1: Drillhole information for initial 53 auger holes at Fotinho

HOLE_ID	UTM_N_WGS84	UTM_E_WGS84	ELEVATION_M	DIP	AZIMUTH	EOH_M
FHA25001	8050745	813302	95	-90	360	2.0
FHA25002	8049945	813785	88	-90	360	4.3
FHA25003	8052366	806240	129	-90	360	2.0
FHA25004	8052615	806616	126	-90	360	2.0
FHA25005	8052102	806127	129	-90	360	2.0
FHA25006	8052147	812358	87	-90	360	1.0
FRC25007	8052139	812329	92	-90	360	-
FHA25008	8051898	812138	95	-90	360	2.0
FHA25009	8051595	812361	97	-90	360	2.0
FHA25010	8051445	812756	96	-90	360	1.0
FHA25011	8051852	812721	98	-90	360	1.0
FHA25012	8051056	812873	81	-90	360	2.0

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FHA25013	8050226	813363	90	-90	360	4.0
FHA25014	8052382	809341	100	-90	360	2.0
FHA25015	8051883	809415	113	-90	360	1.0
FSD25016	8051577	809866	95	-90	360	-
FHA25017	8051620	810358	95	-90	360	1.0
FHA25018	8051661	810882	95	-90	360	1.0
FHA25019	8051827	811578	101	90	360	1.5
FHA25020	8052848	809301	108	-90	360	1.0
FHA25021	8051269	802868	145	-90	360	1.0
FHA25022	8050791	803284	143	-90	360	1.0
FHA25023	8050380	803643	143	-90	360	1.0
FHA25024	8049932	804178	134	-90	360	1.5
FHA26025	8049584	804677	123	-90	360	1.5
FHA26026	8049226	805221	126	-90	360	1.5
FHA26027	8048126	805986	131	-90	360	1.0
FHA26028	8047955	806840	117	-90	360	2.0
FHA26029	8046790	807382	116	-90	360	1.5
FHA26030	8046042	807800	114	-90	360	1.0
FHA26031	8052364	801483	156	-90	360	0.5
FHA26032	8053937	800818	170	-90	360	1.5
FHA26033	8045140	800809	96	-90	360	2.0
FHA26034	8046475	801814	107	-90	360	1.5
FHA26035	8053135	810688	107	-90	360	1.5
FHA26036	8052989	813310	91	-90	360	1.0
FHA26037	8054188	814052	94	-90	360	1.0
FRC26038	8055868	814183	106	-90	360	-
FHA26039	8055851	814203	106	-90	360	0.8
FHA26040	8056809	814535	111	-90	360	1.0
FRC26041	8056801	814525	110	-90	360	-
FRC26042	8056793	814816	99	-90	360	-
FHA26043	8058411	814757	100	-90	360	1.5
FHA26044	8058380	815065	104	-90	360	3.0
FHA26045	8059277	814489	116	-90	360	2.0
FHA26046	8059864	813654	116	-90	360	3.0
FHA26047	8060831	813031	113	-90	360	1.0
FHA26048	8061434	816102	153	-90	360	2.5
FHA26049	8060730	815427	136	-90	360	1.5
FHA26050	8061176	815056	132	-90	360	1.0
FHA26051	8060646	814626	124	-90	360	1.0
FHA26052	8059998	814937	120	-90	360	1.0
FHA26053	8049766	801582	117	-90	360	1.5

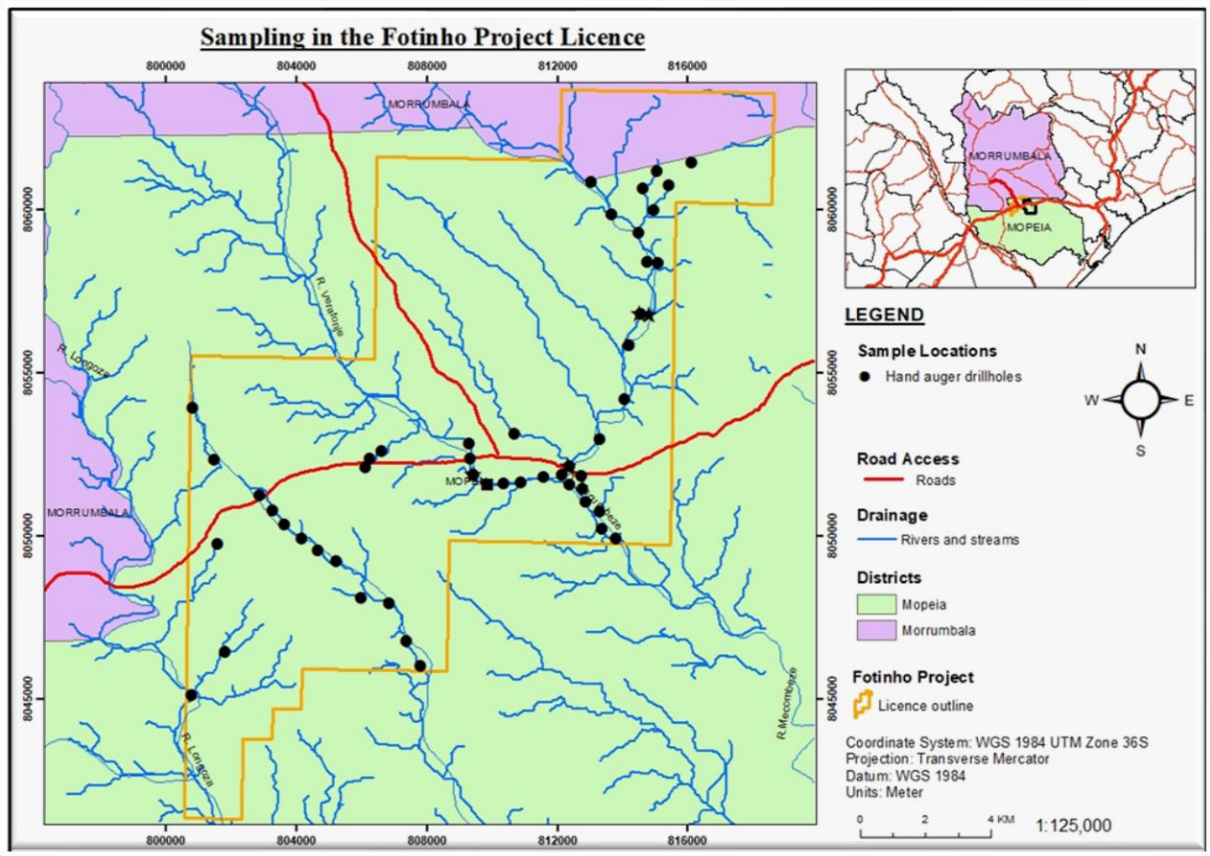

Figure 1: Map showing location of initial 53 auger holes at Fotinho

Figure 2: Panned Heavy Mineral Concentrate (HMC) from auger holes 08, 12 and 24 at Fotinho

Adjacent exploration licence Adriano results to date

- The Fotinho drilling program is designed to test whether the rare earth and critical mineral system confirmed at Adriano extends across the broader catchment into the Fotinho licence.
- At Adriano, 46 auger holes across 5 alluvial targets returned a weighted grade average of >4.0% THM over an average thickness of 2.9m, with no cut-off applied (**refer ASX Announcements 9, 16, 23 and 27 October 2025; 4 March 2026**).
- Individual samples and auger holes returned grades as high as 9.56% THM over 1.0m and 7.16% THM over 2.0m respectively.
- Final mineralogical results from SGS laboratory in South Africa confirmed 32.2% Total VHM in the HMC, including:
    - 1.9% Monazite
    - 2.3% Rutile
    - 1.9% Zircon
    - 1.8% Leucoxene
    - 24.4% Ilmenite
- Chemical analysis confirmed 1.46% TREO in the HMC, with magnet rare earth oxides of 103 ppm Tb_2O_3+Dy_2O_3 and 3,264 ppm Pr_2O_3+Nd_2O_3 (**refer ASX Announcement 13 May 2026**).
- Further scanning microscope (SEM) studies is currently taking place on the HMC from Adriano.

District-Scale Potential

The Fotinho and Adriano licences together cover a large contiguous area underlain by mineralised basement rocks of the Namarroi Group within the Mozambique Metamorphic Province. The drainage systems within both licences are connected, and the TREO anomalism observed across the catchment in stream sedimentary sampling may indicate a widespread mineralised source.

Confirmation of alluvial rare earth and heavy mineral deposits at Fotinho, combined with the established Adriano results, would represent a significant step toward defining a district-scale rare earth development opportunity.

Assay results are expected in June 2026.

Non-Executive Director, Chris Gregory, said:

"The completion of the first drilling program at Fotinho is an important milestone. We are testing whether the high-grade alluvial rare earth and heavy mineral system confirmed at Adriano extends across a much larger footprint. The geological setting is highly encouraging. Both licences sit within the same drainage catchment, the same basement geology and the same structural corridor. Assay results from this program, expected in June, will give us the first direct comparison between the two licences and help determine whether we are looking at a district-scale mineralised system."

MRG Metals Chairman, Andrew Van Der Zwan, said:

"MRG now has three distinct project pillars advancing in parallel. In Mozambique, the Adriano-Fotinho rare earth corridor is rapidly building toward a potential district-scale discovery, while our Titanium Dioxide Heavy Mineral Sands Joint Venture is progressing toward production. In South Africa, the Garies Rare Earth Project has delivered strong metallurgical and exploration results enabling the imminent submission of a mining licence application. This is a company with multiple pathways to value creation, each underpinned by exposure to the critical minerals."

Forward Looking Statement

This Announcement contains forward-looking information, relating to future events or future performance and reflect management's current expectations and assumptions, based on current available information. Forward Looking Statements can be identified by the use of words such as "plans", "expects", "expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes".

This announcement has been authorised for release by the MRG Metals Limited Board of Directors.

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