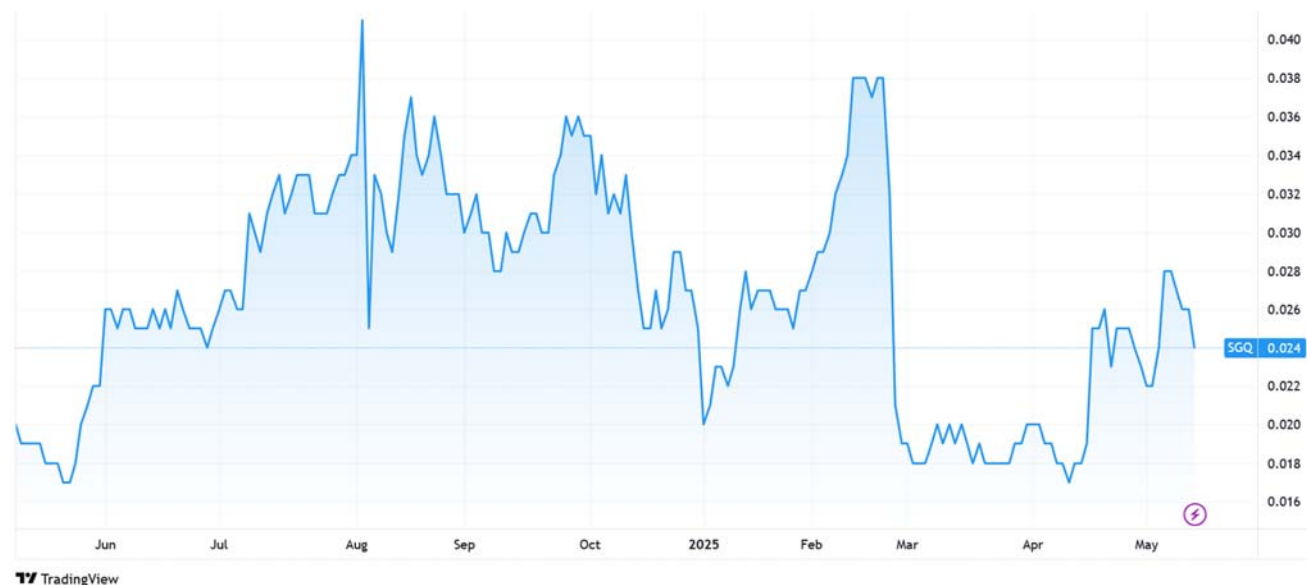


Wednesday 14th May, 2025

Portfolio Stock Update

St George Mining - (ASX: SGQ, Share Price: \$0.025, Market Cap: \$69m, coverage initiated in May 2016)



Key Catalyst

Acquisition of the Araxá niobium-REE Project in Minas Gerais state, Brazil - within the same carbonatite complex as CBMM's niobium mine that produces ~80% of the world's niobium.

SGQ has reconfigured its project portfolio significantly since our coverage initiation in May 2016. It has conducted extensive exploration and appraisal activity throughout its Mt Alexander Project in Western Australia for both nickel and lithium, before casting its sights further afield in Brazil, where it completed the acquisition during February 2025 of the Araxá niobium-REE Project, located in Minas Gerais state. The Araxá Project is located adjacent to, and within the same carbonatite complex as, the niobium mine of CBMM that produces approximately 80% of the world's niobium. The maiden MRE at Araxá contains 280kt of niobium oxide (Nb₂O₅) and 1.7 million tonnes of TREO – representing a globally significant resource in terms of both niobium and rare earths. Araxá is situated within an established mining district, with existing infrastructure (roads/power), proven routes to market, and a readily available workforce.

Araxá Project Update

We had the opportunity to catch up last week with SGQ's Executive Chairman, John Prineas, and Director of Corporate Development, Paul Araujo, at the RIU conference in Sydney. We discussed recent developments related to SGQ, focused on the recent acquisition of the Araxá niobium-REE Project in Brazil, including the proposed pathway to commercialisation.

Overview

- SGD advised of the completion of the acquisition of the 100%-owned Araxá niobium-REE Project in Minas Gerais, Brazil, during February 2025.
- The Araxá Project lies adjacent to, and within the same carbonatite complex as, CBMM's niobium mine that produces approximately 80% of the world's niobium. The project is situated within an established mining district, with existing infrastructure (roads/power), proven routes to market, and a readily available workforce.
- Upon acquisition, SGQ immediately commenced work on mine development studies and a maiden JORC-compliant MRE.

Maiden JORC-Compliant MRE

- In April 2025, SGQ announced a maiden independent JORC 2012 Mineral Resource Estimate (MRE) for Araxá, as follows:
- **Niobium total resource:** 41.2 Mt at 0.68% Nb₂O₅ (6,800ppm Nb₂O₅) comprising (at a cut-off of 0.2% Nb₂O₅):

Resource Classification	Million Tonnes (Mt)	Nb ₂ O ₅ (%)
Measured	1.90	1.19
Indicated	7.37	0.93
Inferred	31.93	0.59
Total¹	41.20	0.68

- **Rare earths total resource:** 40.6 Mt at 4.13% TREO (41,300ppm TREO) comprising (at a cut-off of 2% TREO):

Resource Classification	Million Tonnes (Mt)	TREO (%)	MREO (%)
Measured	1.90	5.44	1.04
Indicated	7.37	4.76	0.90
Inferred	31.37	3.90	0.74
Total¹	40.64	4.13	0.78

- The maiden MRE contains 280kt of niobium oxide (Nb_2O_5) and 1.7 million tonnes of TREO – which represents a globally significant resource in terms of both niobium and rare earths. Importantly, high-value MREOs (neodymium (Nd), praseodymium (Pr), dysprosium (Dy), and terbium (Tb)) comprise 19.09% of the TREO measured resource estimate.
- The MRE has strong prospects for expansion, as presently 100% of the resource is constrained within the weathered profile - and 95.8% of it lies within 100 metres of the surface. There are more than 500 intercepts of high-grade niobium ($>1\% \text{Nb}_2\text{O}_5$) with grades up to 8% Nb_2O_5 and rare earths with grades up to 33% TREO - remaining open in all directions.
- The mineralisation is free-digging, supporting potential for low-cost open-pit mining.

EPC + F Contract

- SGQ has advised of a preferred EPC + F (engineering, procurement, construction and finance) contractor for the development of the Araxá Project. AGQ and Shandong Xinhai Mining Technology & Equipment Inc (Xinhai) have entered into a Strategic Partnership Agreement to work together on project development. Xinhai is a global service provider to the mining sector, with work performed at more than 2,000 mines in more than 100 countries.
- Xinhai will provide advice on metallurgical testing, mineral processing options, plant design and project construction, as well as provide a proposal for a fixed-price EPC + F contract that will include optimal, non-dilutive funding for project development. Xinhai invested a total of A\$8 million in the A\$20 million equity fund raising completed by SGQ that supported the project acquisition.

Local Management Team

SGQ has established an in-country management team that boasts a combined experience in niobium mining and processing in the Araxá region of more than 80 years.

- Mr Ricardo Nardi – former Head of Mineral Processing at CBMM with more than 30 years' experience in niobium mineral processing, including all mineral by-products (barite, magnetite, phosphate and rare earths), as well as high purity niobium oxide production.
- Mr Carlos Araujo – industrial project specialist who managed the design, construction and commissioning of CBMM's technologically advanced niobium processing plant.
- Mr Adriano Rios – former Production Manager at CBMM, responsible for planning, managing and monitoring mineral processing and metallurgy units; and former Director of Operations for COMIPA (the joint venture operating company between CBMM and the State of Minas Gerais).
- Mr Thiago Amaral – former CBMM Product Regulation Coordinator responsible for quality system controls in processing and production, and ex-Head of Sustainability at CBMM responsible for licensing, environmental management and ESG programs.

Metallurgical Testwork

- SGQ has commenced bench-scale metallurgical test-work by utilising samples selected from historical drilling at the Araxá Project. Three large representative samples of mineralisation (each >60 kg), with a range of mineralisation from different lithological units, were selected for bench-scale testing, ensuring a reliable basis for process optimisation across the project.
- The test-work is being conducted in collaboration with SENAI and EMBRAPPI, two pre-eminent scientific agencies in Brazil, under the framework of a Technical Collaboration Agreement with SGQ. The studies aim to define flotation parameters and recovery rates, which will guide future strategies for potential mine development, and the commercial production of niobium and rare earths products, as well as by-products such as magnetite, phosphate and barite.

Peer Comparisons

The Araxá Project compares favourably in terms of grade and size with various world-class global rare earths mines, such as Mt Weld in Western Australia and Mountain Pass in California, as outlined in the table below.

Company	St George	Lynas	MP	Arafura
Market cap and stock exchange	A\$48 million ASX: SGQ	A\$7.3 billion ASX: LYC	US\$3.7 billion NYSE: MP	A\$420 million ASX: ARU
Project	Araxá, Brazil	Mt Weld, Australia	Mountain Pass, USA	Nolans, Australia
Deposit style	Hard-rock	Hard-rock	Hard-rock	Hard-rock
Stage	Development studies	Producing	Producing	Development studies; financing
REE Product	Oxide	Oxide	Oxide	Oxide
Mineral resource (Mt)	Measured: 1.9 Indicated: 7.37 Inferred: 31.37 Total: 40.64	Measured: 20 Indicated: 15.5 Inferred: 71.1 Total: 106.6	Measured: 0.1 Indicated: 31.5 Inferred: 9.1 Total: 40.6	Measured: 4.9 Indicated: 30 Inferred: 21 Total: 56
TREO grade (%)	Measured: 5.44% Indicated: 4.76% Inferred: 3.9% Total: 4.13%	Measured: 7.2% Indicated: 4.3% Inferred: 3.2% Total: 4.1%	Measured: 9.5% Indicated: 6.2% Inferred: 5.1% Total: 5.9%	Measured: 3.2% Indicated: 2.7% Inferred: 2.3% Total: 2.6%
NdPr grade (%)	Total: 0.78%	Total: 0.61%	Total: 0.93%	Total: 0.69%
Contained NdPr (Mt)	0.32	0.65	0.38	0.38

Table 1: Peer benchmarking of major hard-rock rare earths deposits (ex-China), source SGQ.

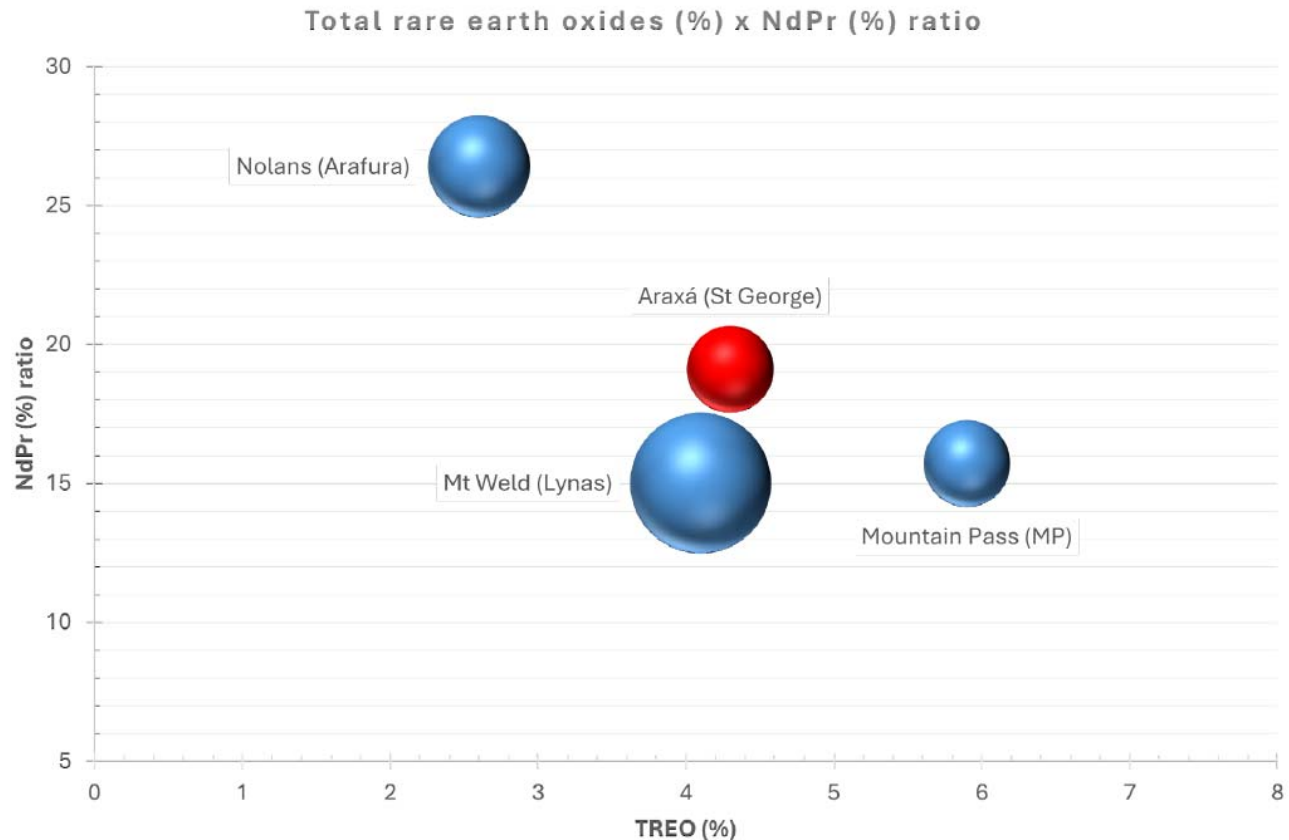


Figure 1: Graphic showing the ratio of NdPr to total TREO resource (Y axis) and the grade of the total TREO resource (X axis). The size of each bubble represents the size of the total TREO resource.

Offtake and Development Collaboration

SGQ has entered into a MoU with Liaoning Fangda Group, one of the world's largest steelmaking enterprises and heavy mine equipment manufacturers, to negotiate terms on potentially working together on development of the Araxá Project.

Cash Position

SGQ retained cash reserves of \$5.2M as at the end of the March 2025 quarter.

Technical Significance

SGQ has dramatically repositioned itself from a pure exploration play to an emerging production company, a transition that appears to be strongly supported in the marketplace. As the project is de-risked, there is potential for corresponding share price appreciation.

The key appeal of the Araxá project is its location in a respected mining jurisdiction, combined with its advanced Resource position that has clear potential for growth. SGQ will initially focus on the production potential of its niobium resource, whilst simultaneously conducting evaluation of the longer-term potential of its rare earths resource base. Araxá appears to stack up well against a basket of sector peers.

Reinforcing these strengths has been SGQ's ability to attract and recruit key executives from the established and nearby CBMM mine, which is hosted within the same carbonatite complex as Araxá and which produces ~80% of the world's niobium.

Along these lines, SGQ is also developing strong relationships with its preferred EPC + F contractor - Shandong Xinhai Mining - and offtake and development collaboration with Liaoning Fangda Group.

The delivery of the recent maiden JORC MRE for Araxá represents a key milestone under SGQ's brief ownership, as well as being a significant de-risking milestone for the project. This will help facilitate next steps in terms of mine permitting, planning and economic assessments.

Rare Earths Market Overview

The global rare earths market is characterised by China's continuing supply dominance, a situation of market and price control that China has consistently used to its advantage over several decades. For context, China produces ~90% of the world's processed rare earths and magnets, whilst the USA has just one rare earths mine, Mountain Pass, which nevertheless relies on China to process most of its product.

China's Ministry of Commerce announced during April 2025 the introduction of export controls on certain rare earths elements and magnets. The export controls provide the Ministry of Commerce with the discretion to 'slow down' exports from China, and potentially to impose a complete export ban.

Products covered by the announcement include samarium metal and products (including SmCo permanent magnets), gadolinium (used in MRIs, nuclear applications), terbium and dysprosium products (including NdFeB magnets which contain Tb/Dy), lutetium (LEDs) and yttrium (LEDs).

The latest export restrictions follow China's ban of rare earth extraction and separation technologies, which were announced during December 2023. With limited processing technologies developed in other countries, the ban provides China with control of the world's rare earths products, highlighting the ongoing economic vulnerability of Western nations that are reliant on Chinese rare earths and magnets.

Summary

We enjoyed the opportunity to catch up last week with SGQ's Executive Chairman, John Prineas, and Director of Corporate Development, Paul Araujo. SGQ has dramatically reconfigured its project portfolio since our coverage initiation, repositioning itself as an emerging production company, a transition that appears to be strongly supported in the marketplace. SGQ will initially focus on the production potential of its niobium resource, whilst simultaneously conducting evaluation of the longer-term potential of its rare earths resource base. As SGQ steadily de-risks the Araxá project, there is potential for corresponding share price appreciation.

Accordingly, SGQ remains firmly within our coverage Portfolio.

Disclaimer: Gavin Wendt, who is a director of Mine Life Pty Ltd ACN 140 028 799, compiled this document. It does not constitute investment advice. I wrote this article myself, it expresses my own opinions and I am not receiving compensation for it. In preparing this article, no account was taken of the investment objectives, financial situation and particular needs of any particular person. Investors need to consider, with or without the assistance of a securities adviser, whether the information is appropriate in light of the particular investment needs, objectives and financial circumstances of the investor. Although the information contained in this publication has been obtained from sources considered and believed to be both reliable and accurate, no responsibility is accepted for any opinion expressed or for any error or omission in that information. I have no positions in the stock mentioned and no plans to initiate any positions within the next 72 hours.