



## Araxá on the Rise: Resource Grows 75% St George Mining Limited

We update our coverage on **St George Mining (ASX:SGQ)** with a reaffirmed **Speculative BUY** rating and **upgrade our 12-month target to 34c**.

This is underpinned by the strong March 2026 MRE update from extensive step-out and infill drilling completed over recent months, confirming the continuity of high-grade mineralisation over very broad intervals from surface. This builds on already being established as the largest & highest-grade carbonatite-hosted REE resource in South America & the second highest grade REE resource in the Western World.

### Investment Thesis

**Tier 1 Asset Validated:** Substantial MRE update - increasing the resource by 75% to 70.91Mt @ 4.06% TREO & 0.62% Nb<sub>2</sub>O<sub>5</sub> - including a 218% increase to the Measured & Indicated (M&I) categories. Additional Niobium resource of 24.56Mt @ 0.52% Nb<sub>2</sub>O<sub>5</sub> (0.2% cut-off grade) confirms strong mineralisation at Araxá.

**Basis for Economic Studies Established:** With a M&I Resource of 29.49Mt @ 4.56% TREO & 0.75% Nb<sub>2</sub>O<sub>5</sub>, this will allow SGQ to anchor their financial analysis in upcoming Feasibility Studies to these resources while also defining maiden Ore Reserves.

**Comps & Re-Rating Potential:** We find a strong potential for re-rating for SGQ, from its current A\$160/t TREO to be placed in between Lynas (A\$3,961/t TREO) and Northern Minerals (A\$2,742/t TREO) given its Grade and TREO tonnage. Feasibility decisions around TREO should trigger a re-rating for SGQ.

**Drilling Continues to Impress:** Drilling extending up to 1km and 230m beyond the resource boundary and delivering some of the thickest and highest-grade REE–niobium intercepts reported to date. Key results include 164.45m @ 2.93% TREO, 139.45m @ 4.05% TREO, and 128.6m @ 4.87% TREO from surface. Sustained drilling success confirms our thesis that the MRE is positioned for further increases towards 100Mt.

**Strategic Land Secured:** 166ha land parcel <2km from Araxá acquired, with plans to host future processing and operational infrastructure, enabling optimal plant positioning relative to mining operations. We view this as a material de-risking event by securing critical infrastructure ground early.

**Government Financial Support:** The State of Minas Gerais has granted preferential tax treatment for the Araxá Project, exempting equipment and materials for pilot and full-scale plants from state goods tax (up to 18%), materially reducing upfront development capex.

**Fast-track to first production by 2028**, supported by permitting MoUs with Minas Gerais, proven CBMM-derived processing expertise, and a REAlloys strategic alliance that positions SGQ to reach US Defence markets ahead of peers (WAI, NioCorp, Globe).

**Robust Economics:** Two development scenarios deliver **NPVs of A\$2.87–2.97B** and IRRs of 68–84%, with payback periods under two years and strong unit margins.

### Evolution Capital's Internal Araxá Model

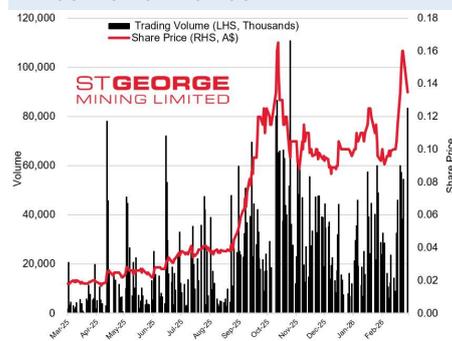
Parameter	Standalone Development	Opportunistic Acquisition
Initial Capex	US\$200M	US\$150M
Production Start	2030	2028
Niobium & REE Production	15ktpa (2032) -> 22ktpa (2037)	15ktpa (2030) -> 22ktpa (2035)
Mine Life	40+ Yrs	
Steady State EBITDA	US\$479M/yr (2037)	US\$479M/yr (2035)
NPV	A\$2.87B	A\$2.97B
IRR	68%	84%
Implied Share Price (A\$/sh)	\$0.35 (2.8x upside)	\$0.37 (2.9x upside)

<b>Recommendation</b>	<b>Spec. Buy</b>
<b>Share Price</b>	<b>A\$0.13/sh</b>
<b>Fair Value</b>	<b>A\$0.80/sh</b>
<b>Target (12-month)</b>	<b>A\$0.34/sh</b>
<b>TSR (12-month)</b>	<b>162%</b>

### Company Profile

Market Cap	A\$495M
Shares on Issue	~3.8B
Cash (Est.)	A\$53M
52-Week Range	A\$0.015-A\$0.18

### Price Performance



### Company Overview

**St George Mining Limited (ASX:SGQ)** is an Australian exploration company leading with Araxá, a globally significant Niobium deposit in Minas Gerais, Brazil. The company also holds a portfolio of exploration tenements in copper, gold and lithium in Western Australia.

The March 2026 MRE update delivered a 75% increase to total tonnes – 70.91Mt @ 4.06% TREO & 0.62% Nb<sub>2</sub>O<sub>5</sub> while also increasing the M&I portion by 218% - which will assist SGQ in upcoming feasibility studies and in defining a maiden Ore Reserve.

### Head of Research (Resources)

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### Majority Shareholders

Hancock Prospecting	6.23%
Shandong Xinhai	5.64%
Macquarie Group Ltd	4.84%
UBS Asset Mgmt	4.43%
Shanghai Jayson New Energy Materials	2.86%

### Upcoming Catalysts

Additional Drill Results	Q2 2026
Araxá MRE Update	H2 2026
Permitting Progress	CY 2026
Scoping & PFS Studies	CY 2026
Strategic Partnerships	Ongoing



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# 1. VALUATION SUMMARY

## 1.1 Valuation Target Summary

Our A\$0.34/sh target is derived from a DCF on the Araxá Project using a conservative long-term Niobium REE basket price of US\$45,000/t. The initial A\$0.38/sh value is derived from the 50% risked NPV of A\$1,433m (standalone case) divided by current SOI (~3.8bn shares).

The valuation assumes one equity raise totalling  $\frac{1}{4}$  of pre-development capex (US\$150-200M), taking post-raise common shares outstanding to ~4,151M. We apply no value to other SGQ projects apart from Araxá at this stage; it is treated as upside pending resource definition and metallurgy.

Our Total NAV (post-funding) is A\$1,416m, which equates to the A\$0.34/sh target.

Asset	Method	Risking	Value (A\$M)	NAV/Share (A\$)
Araxá NPV <sub>s</sub>	DCF (Pre-tax)	0.50x	1,433	0.38
+ Other SGQ Projects (Destiny, Lithium Star etc)	No Value	—	—	—
+ Net Cash (PF)	—	—	53	0.02
- PV Exploration	—	—	(40)	(0.01)
- PV Corporate G&A	—	—	(30)	(0.01)
<b>NAV (Equity Value)</b>			1,416	0.38 A\$/sh (~3.8bn shares)
<b>Total NAV (Post-Funding)</b>			1,416	≈ 0.34 A\$/sh (~4.2bn shares)

Table 1.1 - Sum of Parts Valuation

## 1.2 Key Updates Since December 2025

### 1.2.1 March 2026 MRE Update

The March 2026 MRE update delivered a step-change in scale and confidence, increasing 75% to 70.91Mt @ 4.06% TREO and 0.62% Nb<sub>2</sub>O<sub>5</sub> (2% TREO cut-off), materially strengthening the development case. Importantly, Measured & Indicated Resources surged 218% to 29.49Mt @ 4.56% TREO and 0.75% Nb<sub>2</sub>O<sub>5</sub>, providing a significantly more robust foundation for economic studies and mine planning.

Separate niobium modelling at a 0.2% Nb<sub>2</sub>O<sub>5</sub> cut-off defines an additional 24.56Mt outside the TREO-based resource, underscoring by-product upside, while 44 completed expansion holes, a further 50 planned holes and the East Araxá discovery (incl. 48m @ 5.71% TREO) remain excluded — highlighting clear near-term upgrade potential. Notably, the entire resource sits within ~120m of surface and is considered potentially amenable to open pit mining, supporting favourable mining economics and development optionality.

March 2026 MRE - Cut-off 2% TREO				
Category	Million Tonnes (Mt)	TREO (%)	MREO (%)	Nb <sub>2</sub> O <sub>5</sub> (%)
Measured	8.02	5.23	0.95	1.06
Indicated	21.46	4.31	0.8	0.63
Inferred	41.42	3.71	0.72	0.52
<b>Total</b>	<b>70.91</b>	<b>4.06</b>	<b>0.77</b>	0.62

Table 1.2 - Updated March 2026 MRE



<b>Additional Niobium Resource - 24.56Mt at 0.52% Nb<sub>2</sub>O<sub>5</sub> at cut-off 0.2% Nb<sub>2</sub>O<sub>5</sub></b>		
<b>Category</b>	<b>Million Tonnes (Mt)</b>	<b>Nb<sub>2</sub>O<sub>5</sub> (%)</b>
<b>Measured</b>	0.02	0.51
<b>Indicated</b>	2.59	0.31
<b>Inferred</b>	21.95	0.54
<b>Total</b>	<b>24.56</b>	<b>0.52</b>

**Table 1.3** - Additional Niobium Resource at 0.2% Cut-off

### 1.2.2 Strong Drilling Results Continue

SGQ has conducted extensive infill and step-out drilling in recent months which underpinned the March 2026 MRE upgrade. These included the thickest and some of the highest-grade niobium and rare earth intercepts reported to date, substantially outperforming those used in the prior MRE. With step-out holes extending up to 1km and 230m west of the resource boundary, this resulted in the substantial 75% MRE increase.

Key intercepts from recent drilling campaigns include:

- 164.45m @ 2.93% TREO and 0.39% Nb<sub>2</sub>O<sub>5</sub> from surface (inc. 62m @ 5.15% TREO and 15m @ 8.78% TREO & 1.18% Nb<sub>2</sub>O<sub>5</sub>) – the thickest mineralised intercept reported at Araxá to date,
- 139.45m @ 4.05% TREO and 0.55% Nb<sub>2</sub>O<sub>5</sub> from surface (inc. 53.9m @ 5.44% TREO & 0.79% Nb<sub>2</sub>O<sub>5</sub>), and
- 128.6m @ 4.87% TREO and 0.85% Nb<sub>2</sub>O<sub>5</sub> from surface (inc. 31.25m @ 6.09% TREO and very high-grade niobium sub-intervals up to 2.61% Nb<sub>2</sub>O<sub>5</sub>).

### 1.2.3 Government Financial Support for Araxá

The State of Minas Gerais has formally confirmed financial support for St George's Araxá Project via a preferential goods tax regime that materially reduces upfront development capital. Under the agreement, equipment and materials acquired for both the pilot plant and full-scale industrial plant are exempt from state goods tax (otherwise up to 18%), directly lowering capex intensity and improving project returns.

The regime, signed by the Governor and key state development agencies, builds on an existing MoU to fast-track approvals and demonstrates high-level political backing, materially de-risking funding, permitting and execution risk as the project advances through feasibility and economic studies.

In addition to fiscal concessions, the Government's support extends to infrastructure and R&D collaboration through a joint venture with CEFET to construct a large-scale pilot plant (200–300kg/hr) at the Araxá campus, forming the foundation of the St George Technological Centre.

### 1.2.4 Project Land Secured for Araxá Development

SGQ recently secured a strategically located 166ha land parcel <2km from its Araxá mining tenure in Minas Gerais, Brazil, to host future processing and operational infrastructure for its niobium–rare earths development. The land is zoned for mining/industrial use, flat-lying and cleared, enabling optimal plant positioning away from the highly mineralised carbonatite to maximise resource recovery.

The acquisition mirrors the operating model of adjacent producers CBMM and Mosaic and forms part of a broader fast-track development strategy. Consideration totals BRL14m (~A\$3.8m), payable in two instalments, alongside the acquisition of a separate 163ha conservation area (BRL6m) to support environmental licensing and ESG credentials.



### 1.3 Araxá Project Scenarios and Assumptions

For the development scenarios, we consider two possibilities,

- Standalone Development:** SGQ will be able to progress through to the FID stage and obtain the requisite mining and tailings dam permits from the relevant authorities. This will delay the time to market for SGQ to a conservative 2030 for first production. We estimated a staged development, with initial capex of US\$200M, inclusive of US\$50M for Mine Development, US\$100M for processing plant, and US\$50M for a tailings dam for an initial ROM rate of 3Mtpa, and an incremental capex of US\$60M to increase the ROM processing rate to 4.5Mtpa, 5 years after start of operations.
- Opportunistic Acquisition:** SGQ acquires Mosaic’s Araxá mine beneficiation facilities in order to fast track its permitting process in line with SGQ’s strategy to race to market. We see this as a possibility because Mosaic has launched a dual track process to either sell its Araxá Phosphate mine and beneficiation facilities or attract capital to develop niobium processing at the Araxá beneficiation plant. (Mosaic’s Q1 FY25 Report)

If SGQ were to acquire the beneficiation plant or assist in terms of capital, there would be corresponding decrease in initial capex required. We estimate the initial capex for this development pathway to be ~US\$150M, inclusive of US\$50M for mine development and additional haulage trucks, and US\$100M for the processing plant, lower given ready infrastructure at Mosaic site. We believe SGQ would opt for this early route to market (by 2028 by our estimates). Same as our standalone development, we expect SGQ to increase ROM production rate to 4.5Mtpa through an incremental capex of US\$60M, 5 years into operational life.

In this update we reduce the risk of the project to 50% in total due to the MRE upgrade tracking towards our base case scenario of 124Mt, additional ground being secured, government relationships and funding support confirmed, strategic relationships being developed with US firms, and strong support from the mining jurisdiction in Brazil.

Common to both the development scenarios our list of assumptions and associated rationale is as follows:

Assumptions Used in SGQ DCF Valuation		
Particular	Assumptions	
Niobium and REE Basket Price	US\$45,000/t	
Discount Rate	8%	
Royalties	6%	
Land Access Fee	3%	
Resource at FID	124Mt at 0.62% Nb <sub>2</sub> O <sub>5</sub>	
Niobium Beneficiation Recovery	60%	
Niobium Pyrometallurgical Recovery	85%	
Sustaining Capital Expenditure	5% of the Initial Capex per year	
SG&A	US\$10M/yr	
Particular	Standalone Development	Opportunistic Acquisition
Initial Capex	US\$200M	US\$150M
Production Start Year	2030	2028
Mining and Processing Cost (ROM)	US\$28.1/t	US\$28.1/t
Incremental Capex for 5Mtpa ROM	US\$60M	US\$60M
Incremental Capex Year	2035	2033

Table 1.4 - DCF Assumptions Summary



## 1.4 Valuation Analysis

The development pathways generate NPVs of A\$2.87-2.97B at IRRs of 68%-84% given the timing and quantum of cashflows. In both the cases we see robust unit economics, and the ability to payback within 2 years of production.

### Standalone Development Pathway

If SGQ takes this pathway for the project, it will be able to start production from 2030 to the tune of 10ktpa Nb-TREO mix, generating an EBITDA of US\$319M/yr. In 2035, 5 years into production it will invest another US\$60M to increase production to 15ktpa REE mix, generating US\$479M/yr in EBITDA. Over the longer horizon the focus will shift to lower grades in order to optimise the mine life, reducing output to 20ktpa for the then EBITDA of US\$267M/yr. This development pathway has an NPV of A\$2.87B and an IRR of 68% at our base case Niobium basket price of US\$45,000/t, 50% risked valuation of A\$0.35/share, a 2.8x upside from current A\$0.13/sh.

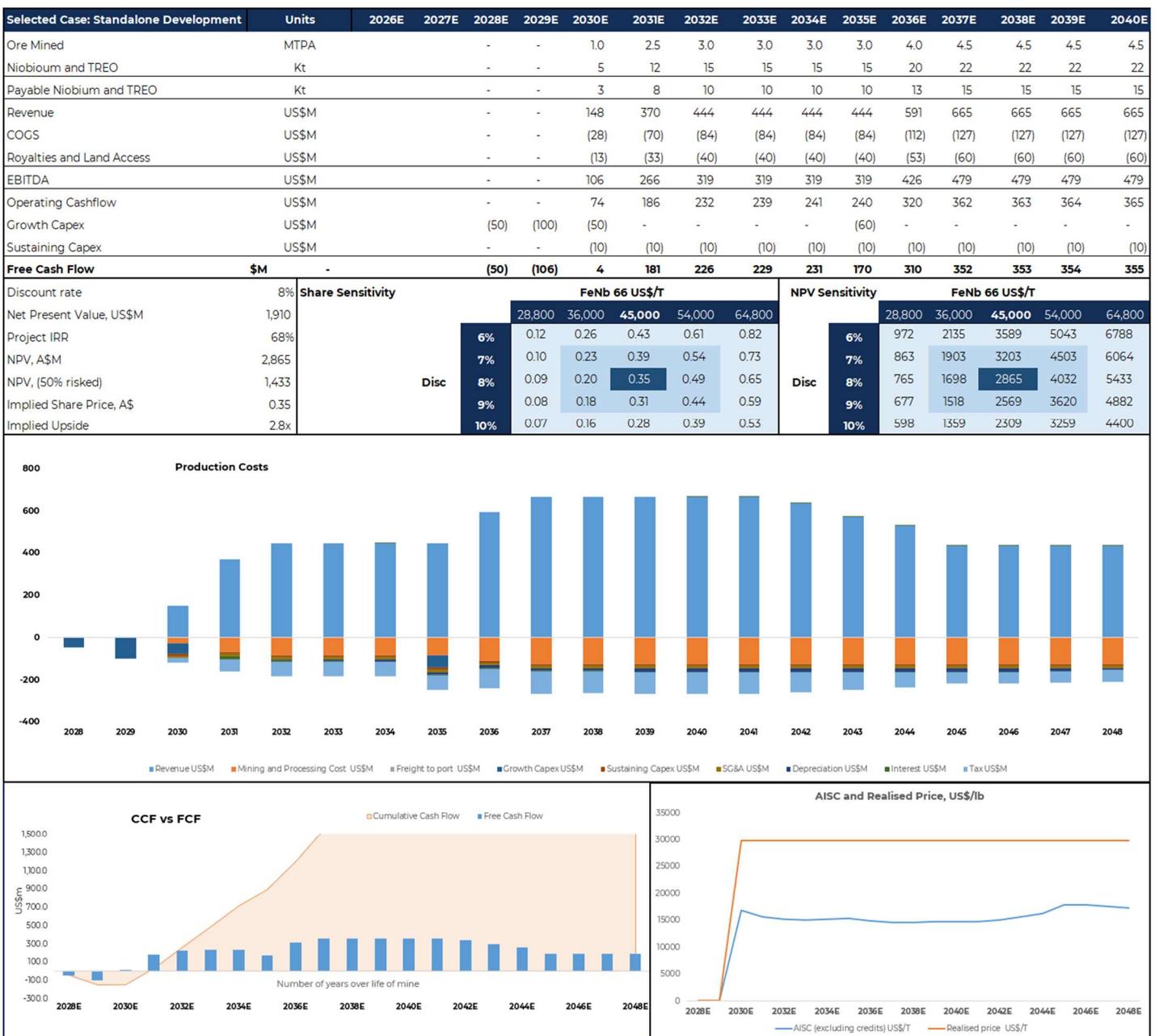


Figure 1.1 - Standalone Development Summary



### Opportunistic Acquisition Case

We see similar set of metrics for the Opportunistic Acquisition Case but for a lower initial capex by US\$50M and the cashflows starting 2 years earlier than the Standalone case. This development pathway has an NPV of A\$2.97B and an IRR of 84% at our base case niobium price deck of US\$45,000/t, 50% risked valuation of A\$0.37/share, a 2.9x upside from current A\$0.13/sh.

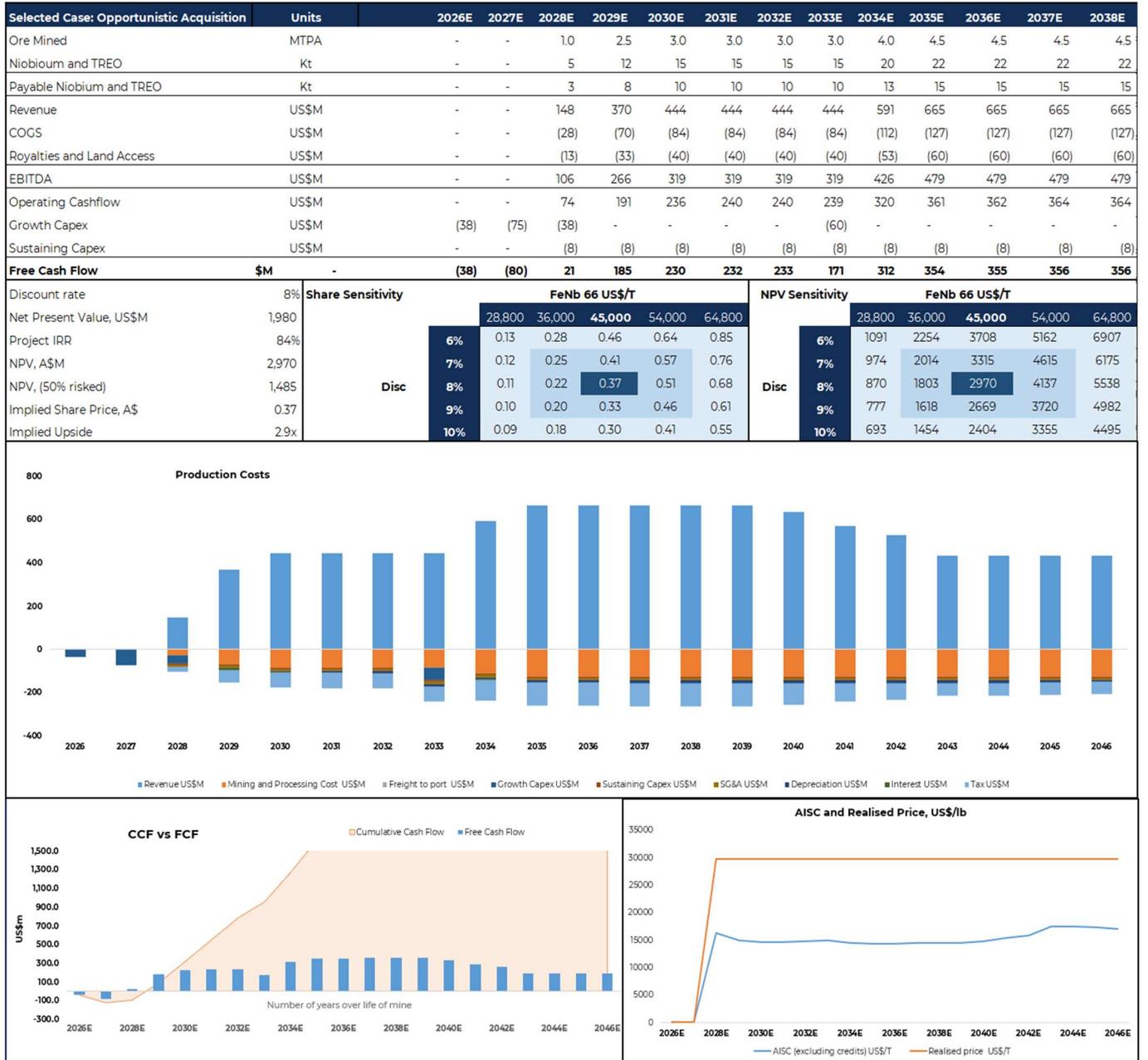


Figure 1.2 - Opportunistic Acquisition Summary



DCF Outcomes		
Parameter	Standalone Development	Opportunistic Acquisition
Initial Capex	US\$200M	US\$150M
Production Start	2030	2028
Niobium & REE Production	15ktpa (2032) -> 22ktpa (2037)	15ktpa (2030) -> 22ktpa (2035)
Mining and Processing Cost	US\$28.1/t	US\$28.1/t
First 5 Years Production	101kt FeNb and TREO	
Mine Life	40+ Yrs	
Steady State EBITDA	US\$319M/yr (2032) -> US\$479M/yr (2037)	US\$319M/yr (2030) -> US\$479M/yr (2035)
NPV	A\$2.87B	A\$2.97B
IRR	68%	84%
Implied Share Price (A\$)	\$0.35 (2.8x upside)	\$0.37 (2.9x upside)

Table 1.5 - DCF Outcomes Summary



## 1.5 EV/Resource Valuation

We assess SGQ’s comparable valuation from two lenses, (i) Niobium, which is the primary commodity of focus for SGQ, and the other (ii) TREO perspective, given the encouraging results from ongoing exploration.

SGQ’s current resource trades at A\$1,047/t Nb compared to its closest peer WA1 at A\$505/t Nb. In our expansion case, SGQ trades more favourably at \$602/t Nb – with the strong March 2026 MRE upgrade and consistently improving drilling results underpinning confidence of a resource upgrade to ~124Mt while maintaining current grades of 0.62% Nb for 0.77Mt of total niobium. We reason SGQ compares favourably to Globe Metals, Niobay and NioCorp due to clear path to development.

We exclude CMOC (multi-commodity exposure) and CBMM (private company) from our comps analysis.

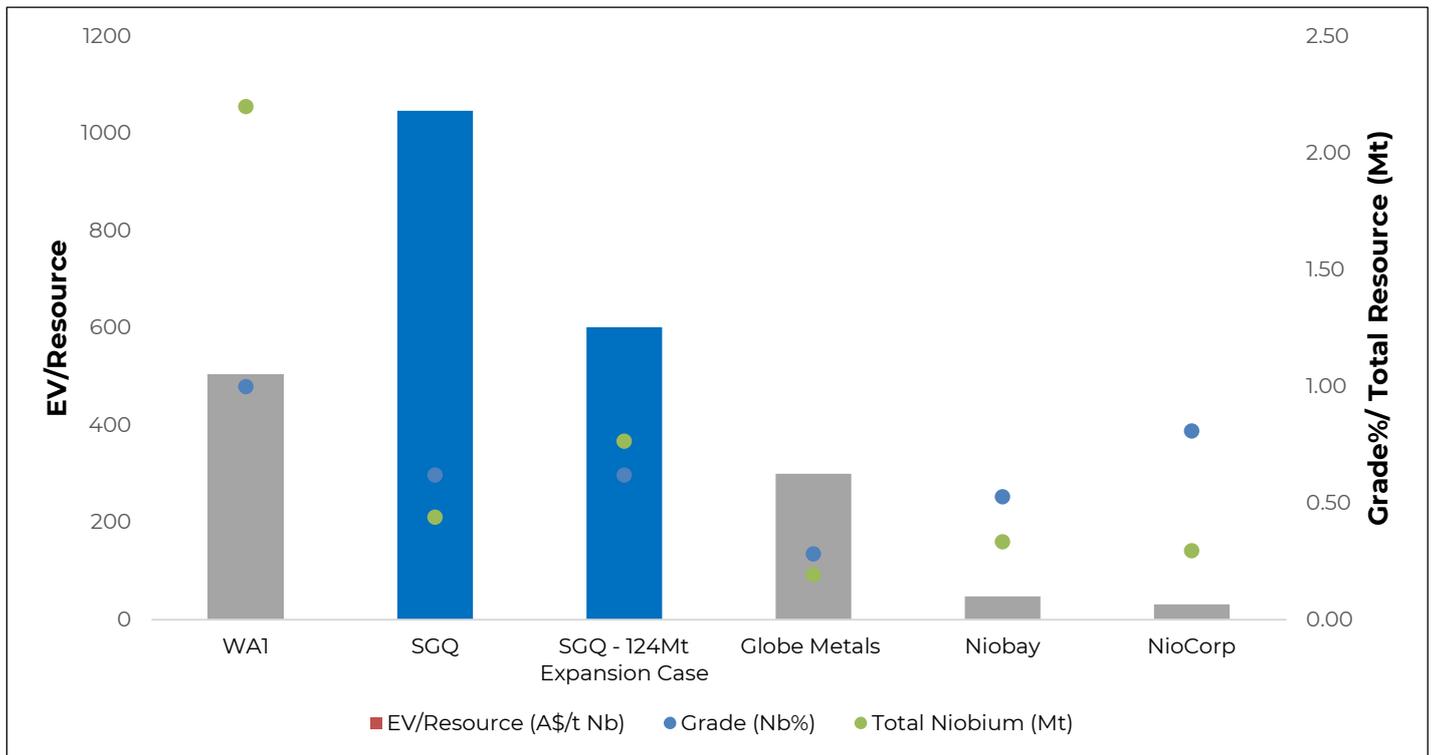


Figure 1.2 - EV/Resource Comparables Graph for Niobium

EV/Resource Comparables for SGQ (Niobium Only) *					
Company	Total Resource (Mt)	Nb Grade %	Total Nb Tonnage (Mt)	EV (A\$M)	EV/Resource (A\$/t)
WA1	220	1.00	2.20	1,111	505
<b>SGQ</b>	<b>71</b>	<b>0.62</b>	<b>0.44</b>	<b>461</b>	<b>1,047</b>
<b>SGQ – 124Mt Expansion Case</b>	<b>124</b>	<b>0.62</b>	<b>0.77</b>	<b>461</b>	<b>602</b>
Globe Metals	68	0.28	0.19	58	300
Niobay	64	0.53	0.34	16	48
NioCorp	37	0.81	0.30	1,154	31

Table 1.6 - EV/Resource Comparables for Niobium (\*as of 4/3/26)

On a broader TREO scope, we find a strong potential for re-rating for SGQ, from its current A\$160/t TREO to be placed in between Lynas (A\$3,961/t TREO) and Northern Minerals (A\$2,742/t TREO) given its Grade and TREO tonnage. Feasibility progress and flowsheet decisions regarding TREO recovery could act as a re-rating catalyst - but for now we refrain from evaluations on that aspect.



EV/Resource Comparables for SGQ (TREO Considerations)*					
Company	Total Resource (Mt)	TREO %	Total TREO Tonnage (Mt)	EV (A\$M)	EV/Resource (A\$/t)
MP Materials	30	6.36	1.94	114,811	7,648
Lynas	110	4.28	4.69	18,579	3,961
Northern Minerals Limited	12	0.77	0.09	247	2,742
Hastings Technology Metals	21	0.90	0.19	100	532
Arafura	56	2.60	1.46	1,226	842
Ionic Rare Earths	617	0.07	0.41	80	196
Australian Strategic Minerals	75	0.74	0.56	379	681
Pensana	313	1.74	5.46	398	73
<b>SGQ</b>	<b>71</b>	<b>4.06</b>	<b>2.88</b>	<b>461</b>	<b>160</b>
Mkango Resources	524	1.02	5.34	376	70
Lindan Resources	261	2.14	5.59	952	170
American Rare Earths	2470	0.30	7.40	187	25
RareX Limited	524	0.31	1.63	20	12

Table 1.7 - EV/Resource Comparables for TREO (\*EV Values as of 4/3/26)

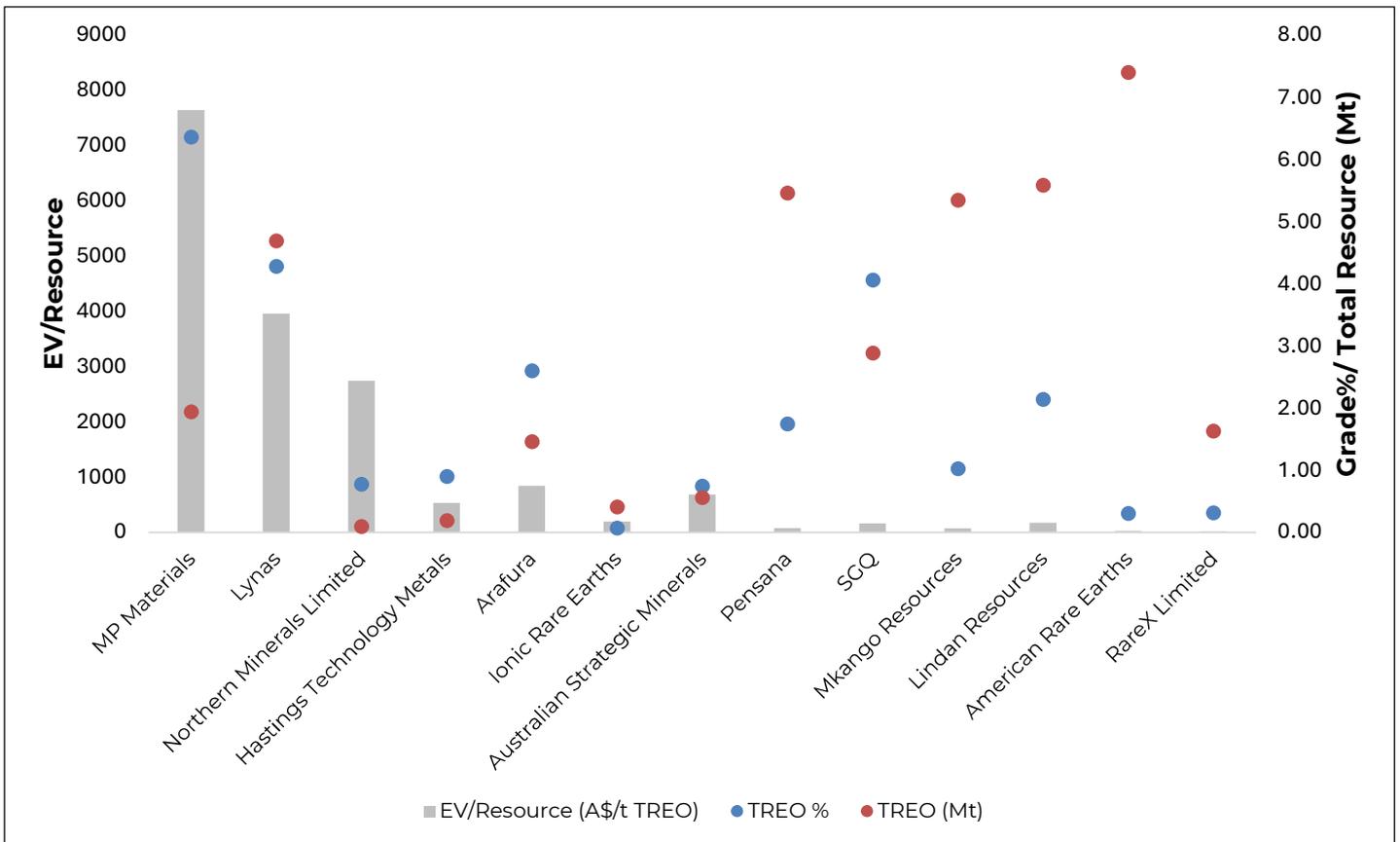


Figure 1.3 - EV/Resource Comparables for TREO (\*as of 4/3/26)

## 2. ST GEORGE MINING

### 2.1 March 2026 Exploration Update

SGQ has recently focused on step-out & infill drilling that resulted in the significant MRE update in March. This led to an absolute increase in resources by 75% with Measured and Indicated (M&I) Resources increasing by 218%. The uplift in M&I Resources is vital, as they will form the basis and economics when completing ore reserve definitions and feasibility studies.

#### Step-Out Drill Results

Across the January–February campaign, step-out drilling has materially expanded the mineralised footprint both laterally and at depth beyond the previous MRE, with multiple holes extending mineralisation into previously sparsely drilled areas and beyond the existing resource envelope.

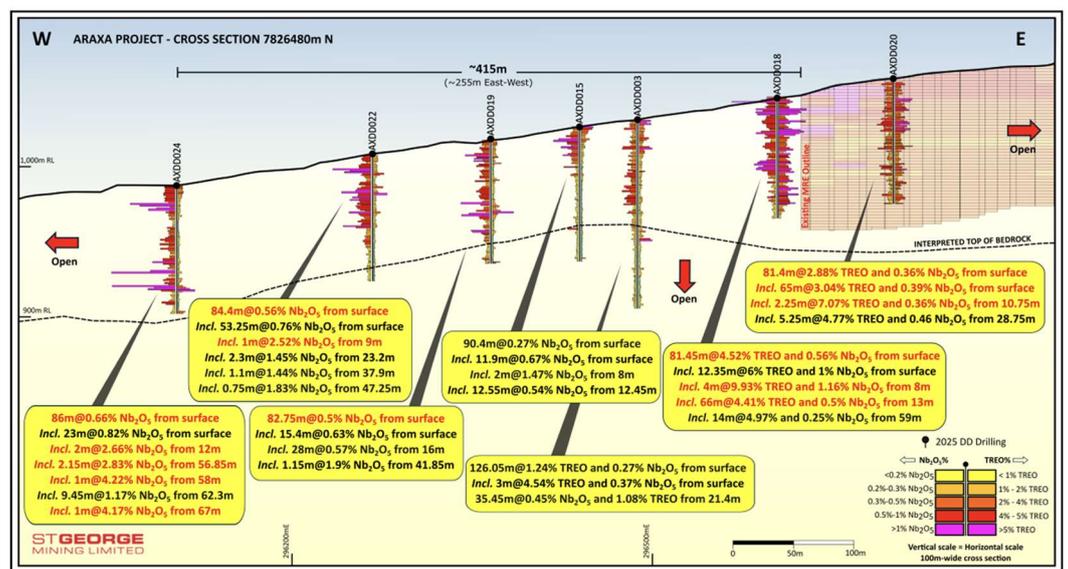


Figure 2.1 - Cross Section Detailing Extent of Step Out Holes

Notably, drilling has demonstrated mineralisation remains open in all directions, with several holes intersecting thick, high-grade zones outside the prior model limits — reinforcing strong continuity and supporting the likelihood of further MRE upgrades.

The most significant step-outs include:

- 164.45m @ 2.93% TREO & 0.39% Nb<sub>2</sub>O<sub>5</sub> from surface (extending well beyond the 100m MRE depth and confirming fresh-rock mineralisation at depth),
- 139.45m @ 4.05% TREO & 0.55% Nb<sub>2</sub>O<sub>5</sub> from surface, intersected outside the previous MRE limits and redefining western expansion potential, and
- 135.2m @ 3.37% TREO & 0.58% Nb<sub>2</sub>O<sub>5</sub> from surface, highlighting expansion beyond the previously defined resource envelope.

Collectively, these step-outs demonstrate thick, consistent mineralisation continuing beyond the previous resource boundary, and increasing confidence that the mineral system is larger than presently defined and that additional MRE growth is likely with ongoing drilling.

#### Infill Drill Results

In parallel, systematic infill drilling strengthened geological confidence within the previous MRE footprint that resulted in high conversion in M&I Resources, confirming grade continuity over broad intervals from surface. The density of drilling across the core

of the deposit is reinforcing the robustness of the resource model and underpinning development studies.

Key infill hits include:

- 128.6m @ 4.87% TREO & 0.85% Nb<sub>2</sub>O<sub>5</sub> from surface, one of the strongest grade-thickness intersections within the established resource area,
- 110m @ 4.16% TREO & 0.34% Nb<sub>2</sub>O<sub>5</sub> from surface, confirming broad, continuous mineralisation within the MRE envelope, and
- 85.8m @ 5.16% TREO & 0.72% Nb<sub>2</sub>O<sub>5</sub> from surface, demonstrating high-grade continuity across the central mineralised zone.

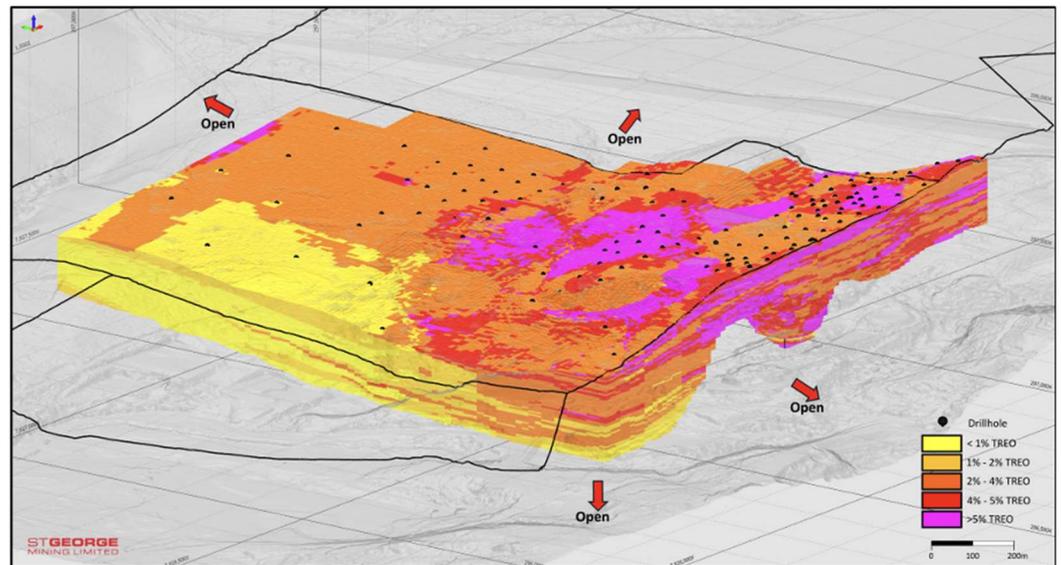


Figure 2.2 - 3D Perspective of the New Araxá MRE

## 2.2 Strategic Land Secured

St George has also secured additional strategic land surrounding the Araxá Project, consolidating control over key areas required for future mine development and infrastructure. The land package provides flexibility for the location of processing facilities, tailings storage, waste dumps and other critical infrastructure, while also ensuring long-term operational security around the deposit. Importantly, early acquisition of these areas reduces future permitting and access risk, streamlines project development planning and positions the Company to progress feasibility studies and project design with greater certainty.



Figure 2.3 – Overview of Araxá Project

## 2.3 Project Risks

### Execution and Development Risks

- **Granting of Authorisations:** Two mining concession applications and one exploration permit remain pending. Delays or onerous conditions in grant of an Environmental Licence (LP), Installation Licence (LI) or Operations Licence (LO) could defer exploration and development.
- **Land Access and Community:** All tenements lie on private land owned by CODEMIG and CBMM; new access agreements are required for drilling and mining. Failure to secure timely land-use approvals or comply with municipal preservation-zone restrictions may interrupt operations.

### Regulatory and Political Risks

- **Environmental Approvals:** Portions of Araxá are designated as water-resource and vegetation preservation zones, requiring additional clearances. There is no guarantee approvals will be granted on acceptable terms, potentially limiting orebody conversion.
- **Policy Volatility:** Although Brazil and Minas Gerais are pro-mining, shifting state or federal environmental regulations, ANM resolutions or heritage mandates could impose unexpected conditions or delays.

### Financial and Capital Risks

- **Capital Raising and Dilution:** Although sufficiently capitalised with ~A\$53 million cash at December 2025, further equity or debt will be required to fund exploration, metallurgical work, pilot plant and permitting. Any equity raise will dilute current shareholders; debt may carry restrictive covenants.

### Operational and Technical Risks

- **Exploration Uncertainty:** Further drilling may not extend high-grade zones or convert Inferred resources to Indicated/Measured categories, jeopardizing mine planning and economics.
- **Metallurgical and Process Risk:** While geology parallels CBMM's adjacent operation, SGQ's metallurgical recoveries for both niobium and TREO remain untested at scale. Pilot-plant outcomes may differ from expectations, affecting capital and operating costs.

### Market and Commodity Risks

- **Niobium Price Volatility:** Global niobium pricing is tightly controlled, 80% by CBMM. Price fluctuations or substitution by vanadium or tantalum could erode project margins and offtake appetite.
- **REE Market Dynamics:** TREO markets are subject to Chinese export quotas, downstream processing bottlenecks and rapidly evolving magnet-grade supply chains. Demand forecasts may shift, impacting TREO valuation.

### Jurisdictional and Geopolitical Risks

- **Foreign Ownership Constraints:** Brazilian law caps foreign mining ownership at 70%. While SGQ holds 100% of Araxá, future joint ventures or financing structures could be constrained by local-ownership requirements.
- **Infrastructure and Supply Chain:** Although Araxá benefits from existing roads, rail links and renewable power, regional equipment imports, port congestion and competition for skilled labour may delay construction or ramp-up.

### 3. MANAGEMENT

St George Mining's Araxá project is led by a cohort of former CBMM experts and seasoned executives, and a mix of technical, operational and strategic funding skillset.

**Thiago Amaral**, Director – ESG & Technical Development

A 17-year CBMM veteran, he spearheaded sustainability, ISO certification, environmental licensing, and product-specification systems. Holds a Master's in Mechanical Engineering and an MBA; PhD in Materials Engineering in progress.

**Adriano Rios**, Director – Mining Operations

With 23 years at CBMM's Araxá mine, he managed block-caving transition and achieved >94% niobium recoveries. His expertise ensures optimized mine planning and execution.

**Caue (Paul) de Araujo**, Director – Corporate Development

Former Global GM (Mine Finance) at Palaris and Regional Director at Hatch, he structures project financing and offtake deals, leveraging global capital markets networks.

**Wanderly Basso**, Senior Exploration Geologist

Brazilian-trained, with end-to-end experience in geological modelling, resource estimation, and metallurgical testwork, he drives rapid resource expansion.

**Carlos Alberto de Araujo**, Consultant – Plant Engineering

Led design and commissioning of CBMM's advanced flotation and magnetic separation plant, accelerating Araxá's processing flowsheet development.

**Ricardo Maximo Nardi**, Consultant – Mineral Processing

Over 30 years at CBMM, he pioneered pilot-scale flotation and reagent optimization to consistently deliver 60%+ Nb<sub>2</sub>O<sub>5</sub> concentrate grades.

**Adolfo Sachsida**, Board Advisor

Ex-Brazilian Minister of Mines & Energy, his deep regulatory insight and federal connections expedite approvals and government engagement.

**Alger Consultoria**, Permitting Advisor

Specialists in Brazilian environmental and heritage licensing, guiding compliance with ANM regulations and municipal preservation-zone requirements.



## Evolution Capital Ratings System

### Recommendation Structure

- **Buy:** The stock is expected to generate a total return of >10% over a 12-month horizon. For stocks classified as 'Speculative', a total return of >30% is expected.
- **Hold:** The stock is expected to generate a total return between -10% and +10% over a 12-month horizon.
- **Sell:** The stock is expected to generate a total return of <-10% over a 12-month horizon.

### Risk Qualifier

- **Speculative:** This qualifier is applied to stocks that bear significantly above-average risk. These can be pre-cash flow companies with nil or prospective operations, companies with only forecast cash flows, and/or those with a stressed balance sheet. Investments in these stocks may carry a high level of capital risk and the potential for material loss.

### Other Ratings:

- **Under Review (UR):** The rating and price target have been temporarily suppressed due to market events or other short-term reasons to allow the analyst to more fully consider their view.
- **Suspended (S):** Coverage of the stock has been suspended due to market events or other reasons that make coverage impracticable. The previous rating and price target should no longer be relied upon.
- **Not Covered (NC):** Evolution Capital does not cover this company and provides no investment view.

*Expected total return represents the upside or downside differential between the current share price and the price target, plus the expected next 12-month dividend yield for the company. Price targets are based on a 12-month time frame.*

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