

JUNE 2025 QUARTERLY ACTIVITY REPORT

Overview

MRG Metals Limited (ASX: MRQ) (“**MRG**” or “**the Company**”) is pleased to release its Q4 FY25 report, as it continues to advance its fully funded two billion tonne Heavy Mineral Sands (HMS) project.

Over the quarter, MRG advanced its landmark Joint Venture (JV) with Sinowin Lithium (Sinowin), under which Sinowin is fully funding the development of MRG’s Mozambique Heavy Mineral Sands Projects. The JV is targeting initial production of 110,000 tonnes per annum (tpa) of HMS concentrate in the next 12-18 months, scaling up to 440,000 tpa in future stages.

The Company is now awaiting final Mozambican Government approval to transfer the Corridor Central and Corridor South licences into the JV entity. Once complete, this will trigger the first US\$3 million tranche of Sinowin’s US\$6 million commitment. Notwithstanding the delay in formal transfer, Sinowin continues to fund activities to move the Project to production.

To date, Sinowin has already invested greater than US\$1 million into the Joint Venture and is continuing to finance the current/ongoing operating costs. Additionally, under the JV, Sinowin committed to a binding drag-along clause for the potential acquisition of MRG’s Joint Venture equity at a minimum of US\$50 million, showcasing the much greater potential value of MRG’s Mozambique assets.

Corridor South Mining Licence – Granted Providing a Clear Avenue to Production

On 26 June 2025, the Mozambican National Mining Institute (INAMI) formally approved the Corridor South Mining Licence (11137) — a major de-risking milestone for the Corridor Sands Project.

The Corridor South licence, directly complements the Corridor Central Mining Licence (11142C) granted on 7 January 2025, which contains the high-grade Koko Massava deposit (103 Mt @ 6.6% THM).

Together, the Corridor South and Corridor Central licences form the foundation of the combined 2 billion tonne JORC Resource and Exploration Target; underpinning the Joint

Venture. This resource base supports the initial 110,000 tonnes per annum production phase, which is expected to commence within the next 12–18 months.

Key points:

- **JORC Resource:** Corridor South hosts 257 Mt @ 6.0% THM at a 5.0% cut-off grade, within a global resource of 860 Mt @ 4.9% THM.
- **Target Production Timeline:** 12–18 months to first production, with pre-construction planning already underway.
- **MRG Equity in the JV:** 30% free-carried to 220 KT pa of Heavy Mineral Concentrate (HMC); reducing to 25% free-carried to 440KT pa HMC; flooring at 20% for HMC production above that.
- **Operational Scale:** Sinowin has advised the Chongoene rail and industrial wharf consortium that JV production targets are increasing to 360,000 tonnes in Year 1, with a five-year goal of 800,000 tonnes per annum.
- **Funding Secured:** All development and operating costs to this stage — including permitting, environmental and in-country management — are being covered by Sinowin, reflecting strong commitment from the JV operator.
- **Ongoing Work:** MRG and Sinowin are actively progressing all necessary pre-production activities to ensure the project is ready to proceed as soon as the licence transfer is approved. Sinowin remains committed to fully funding this workstream.

Linhuane Licence Granted – High Grade Asset is Fully Funded in Stage 2 of the JV

The Linhuane Exploration Licence (7423L) was granted on 2 May 2025, covering 56.38 km² along an 18km palaeodune system.

Key points:

- The licence was recently granted by the Mozambique Mining Department (INAMI), reflecting regulatory support and a secure foundation for long-term development.
- The Linhuane project's minimum expenditures are funded by Sinowin, with development to commence when it is added to the JV at Phase Two, once annual concentrate production reaches 220,000 tonnes.
- The Linhuane project contains continuous, near-surface zones of HMS and is within proximity of Corridor Sands.
- Exceptionally high Total Heavy Mineral grades, ranging from 5% to 25%.

- THM at shallow depths (up to 10.5m), with standout drill results such as 10.5m @ 15.6% THM and 10m @ 17.9% THM.
- Such grades are well above industry averages and have the potential to add substantial value to the JV.

The Company recently launched an Entitlement Offer to raise additional funds to further advance this project, which it believes is a World-class asset — ‘a company maker in its own right’.

Sinowin Fully Managing Project Delivery

Sinowin Lithium has taken control of JV field operations in early 2025 and is now driving the development roadmap, including:

- Funding all costs associated with licensing, permitting, exploration, management and early works.
- EDM (Mozambique’s state utility) has confirmed electricity supply for Year 1 production with ~US\$820,000 in JV capex committed for substation and line connection. Expansion planning is underway to meet the staged ramp-up.
- EIAS Study (contracted at >US\$500k) expected to complete in 2025, after minor delays due to post-election disruption.
- In parallel, Sinowin is progressing pre-construction engineering works and procurement to meet the 12–18 month production timeline, supported by in-country staff and approvals from key government bodies.

JV Equity structure Update

- The Hong Kong Joint Venture Company (JVC), Terriland, is established with Sinowin Lithium (HK) Co Ltd and Sinowin Lithium Cobalt Ltd (SLC) collectively holding 70% and MRG 30%.
- Terriland owns 100% of a newly established UAE company, Tailan Mining Ltd (UAE). The transfer of MRG’s Mozambique companies, Sofala Mining & Exploration LDA (SME) and Sofala Mining and Exploration 1 LDA (SME1), which hold Corridor Central and Corridor South Mining Licence applications, is pending Government approval.
- Terriland awaits tax treatment from the Mozambique Government and transfer clearance from INAMI.
 - Note: Following Government restructure of INAMI and Cabinet shuffle, INAMI has been closed for transitional items until 31 August 2025. We

anticipate prompt progression in early September and will advise accordingly.

- When the Chinese Government completes the Overseas Direct Investment (ODI) approval, the JV bank account is established and SME and SME1 companies complete the share transfer; SLC will deposit the first USD\$3 million into the Joint Venture (JV) Trust Account for mine development and operations. SLC continue to fund operations in the meantime.
- Subsequently, the JVC will own Corridor Central and Corridor South via ownership of the Mozambique Holding Companies (SME and SME1).

Sinowin to Lead Offtake Agreements

A key strength of MRG's Joint Venture structure with Sinowin Lithium is the complete de-risking of the offtake strategy — often a major barrier for early-stage resource projects in frontier markets.

Unlike most junior-led developments, where offtake must be secured before funding or construction, the MRG-Sinowin JV structure delegates all offtake responsibilities to Sinowin. This structure:

- Removes the need for MRG to source offtake partners or negotiate long-term contracts independently
- Eliminates the requirement for a pilot plant — avoiding up to US\$10 million in CAPEX and associated delays
- Streamlines project delivery by avoiding complex sampling and testwork logistics
- Leverages Sinowin's established commercial network in China to secure multiple offtake options and downstream engagement

This strategic alignment enables MRG to focus entirely on delivering its resource and project development milestones, while Sinowin manages the critical path to sales and cashflow.

Environmental Impact Assessment Study (EIAS)

EIAS with contract value in excess of USD\$500,000 (refer ASX Announcement 8 November 2024):

- Progresses after 6-8 week delay associated with social unrest.
- Planned completion moved to mid Q3, 2025.

Electrical supply

- The JV has requested power supply from Electricidade de Moçambique, E.P. (EDM), a state-owned energy company of Mozambique. EDM has confirmed capacity for year 1, with transmission line and substation connection costs of circa USD\$0.82 million.
- Supply in years 2 and 3 will be at higher levels with a planned plant expansion to require substation work, with Capex commitments from EDM/JV approaching USD\$2 Million.
- The confirmation of year 1 supply is a significant benefit as the JV will be able to evaluate the best approach for plant expansion, while knowing Stage 1 plant requirements can be met by local supply.

Marao Project – High Grade Surface HMS Confirmed by Laboratory Assays

MRG's Magonde target within the Marao licence (6842L) continued to deliver strong results.

Highlights from the recent infill auger program include:

- Laboratory assay results confirming standout mineralisation: 24MUHA048 returned 4.0% THM to 13.5m depth; 24MUHA070 returned 3.4% THM to 13.5m depth.
- Individual sample grades as high as 4.57% THM.
- Average THM assay grades were 8% higher than visually estimated values.
- Valuable Heavy Mineral (VHM) content confirmed at 48.16%, including rutile, zircon, and ilmenite.
- Geological continuity confirmed across 100-hole program totalling 1,350m.
- Potential to support a future JORC-compliant resource.

These results validate Magonde's inclusion as a future JV asset, scheduled to be transferred into the JV once Stage 3 production is underway.

Entitlement Offer to Shareholders

Post-quarter-end, 18 July 2025, MRG announced an equity raising of approximately \$817,956 through a pro-rata non-renounceable 3 for 10 entitlement offer of options to eligible shareholders in the Company (**Entitlement Offer**).

With its 2-billion-tonne Mozambique Heavy Mineral Sands Projects already fully funded and a clear roadmap to initial production of 110,000 tonnes per annum, the Company believes this capital raise will be instrumental in advancing its other Rare Earth and Heavy Mineral Sands projects.

The offer price for the Entitlement Offer is \$0.001 (0.1 cents) per New Option (Offer Price). Under the Entitlement Offer, eligible shareholders will be able to subscribe for 3 New Options for every 10 existing fully paid ordinary shares held at 7.00 pm (Melbourne time) on Friday 25 July 2025 (Record Date) at the Offer Price.

The New Options are exercisable at \$0.004 (0.4 cents) and will have an expiry date of 19 August 2027.

The indicative closing date of the Entitlement Offer is 5:00 pm Friday 15 August 2025.

If applications received for New Options under the Entitlement Offer are less than the number of New Options available under the Entitlement Offer, the Directors reserve the right to place the shortfall at their discretion within 3 months of close of the Entitlement Offer.

Key Statistics of the Offers

Item	Quantum
Offer Price per New MRQOD Option	\$0.001 (0.1 cents)
Entitlement Ratio (based on existing Shares)	3:10
Number of Shares currently on issue	2,726,518,626
Existing Options on issue as at date of the Prospectus – exercisable at \$0.008 on or before 31 December 2025)	1,075,922,556
New MRQOD Options to be issued under the Offers	817,955,588
Gross proceeds of the issue of New MRQOD Options under the Offers (assuming all Entitlements are accepted)	\$817,956

The funds raised under the Entitlement Offer will be used by the Company for the following:

- (a) Linhuane HMS Project – auger drilling, mineralogy and metallurgy to test high grade historical HMS targets – \$100,000;
- (b) Adriano Rare Earth Element & Thorium Project – follow up of stream sediment anomalies, auger drilling, mineralogy and metallurgy - \$100,000;
- (c) Fotinho Rare Earth Element & Thorium Project – stream sediment sampling, auger drilling and mineralogy - \$75,000;
- (d) Olinga Uranium Project – stream sediment sampling, auger drilling and mineralogy - \$75,000; and
- (e) Tenement Maintenance, working capital and costs of the equity raise - \$467,956.

Indicative Timetable

Action	Date
Announcement of the Offers	Friday 18 July 2025
Lodgement of Prospectus with ASIC and ASX	Friday 18 July 2025
Notice sent to Ineligible Shareholders	Friday 18 July 2025
Notice sent to Optionholders	Friday 18 July 2025
Ex Date	Thursday 24 July 2025
Record Date for determining Entitlements	Friday 25 July 2025
Prospectus despatched to Eligible Shareholders and Company announcement of despatch	Tuesday 29 July 2025
Opening date of the Offers	Tuesday 29 July 2025
Last day Company can extend the Closing Date*	Tuesday 12 August 2025
Closing Date of the Entitlement Offer at 5:00 pm*	Friday 15 August 2025
Securities quoted on a deferred settlement basis	Monday 18 August 2025
Announcement of results of the Entitlement Offer	Wednesday 20 August 2025
Shortfall Offer closes [#]	Thursday 13 November 2025
Issue date of New MRQOD Options and lodgement of Appendix 2A with ASX applying for quotation of the New MRQOD Options	Wednesday 20 August 2025
New MRQOD Options issued under the Offers commence trading on a normal settlement basis**	Friday 22 August 2025

Dates may change

*The above dates are indicative only and are subject to change. The Company reserves the right to amend any or all of these dates and times subject to the Corporations Act, the ASX Listing Rules and other applicable laws. Any change to dates and times will have a consequential effect on subsequent dates. The Company also reserves the right not to proceed with the Offer at any time.

**Quotation of the New MRQOD Options is subject to the Company being able to satisfy ASX of the quotation requirements set out in Chapter 2 of the ASX Listing Rules.

#The Directors may vary the closing date of the Shortfall Offer without notice.

AUSTRALIA

No work was carried out at the Company's Australian assets this quarter.

ZIMBABWE

Sighter Metallurgical testwork is underway at SGS laboratory in Johannesburg, South Africa, on phosphate(P_2O_5) mineralised samples taken from one of 4 main phosphate targets that were generated in the Shawa carbonatite complex (refer ASX Announcement 21 March 2025). The targets were developed from a soil and outcrop sampling program, with individual samples then collected for this Sighter Metallurgical study from surface exposures. The results from the study are expected by early August.

ASX ADDITIONAL INFORMATION

The Company provides the following information pursuant to ASX Listing Rule requirements:

ASX Listing Rule 5.3.1: Exploration and Evaluation Expenditure spend during the quarter was \$95,912. Full details of exploration activity during the quarter are set out in this report.

ASX Listing Rule 5.3.2: The Company confirms that there was no mine production and development activities during the quarter.

ASX Listing Rule 5.3.5: Payment to related parties of the Company during the quarter was \$29,877 in cash. Payments to each Director for director and consulting fees and superannuation were \$9,292. Payment to Director Shane Turner for Accounting services was \$2,000.

TENEMENTS

The Tenements held by the Company at 30 June 2025 are as follows:

Project	Tenement	% Owned	Note
Norrliden	K nr 1	10	
Malanaset	nr 100	10	
Malanaset	nr 101	10	
Corridor Central	11142C	100	Mining Concession
Corridor South	11137C	100	Mining Concession
Corridor North	10779L	100	
Linhuane	7423L	100	
Marao	6842L	100	
Adriano	11002L	100	
Fotinho	11000L	100	
Olinga	11005L	100	
Lake Johnston	E63/2394	100	Application
Lake Johnston	E63/2446	100	Application
Forrestania	E77/3164	100	Application

Authorised by the Board of MRG Metals Ltd.

For more Information please contact:

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Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning the Company's planned exploration program and corporate activities. When used in this document, the words such as "could", "plan" "estimate", "intend", "may", "potential", "should" and similar expressions are forward-looking statements. Although the Company believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results, events and outcomes achieved will be consistent with these forward looking statements.

Competent Persons' Statement

The information in this report, relating to Mozambique and Zimbabwe Exploration Results is based on information compiled and/or reviewed by Mr JN Badenhorst, who is a member of the South African Council for Natural Scientific Professions (SACNASP) and the Geological Society of South Africa (GSSA). Mr Badenhorst is a consultant of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which has been undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Badenhorst consents to the inclusion in this report of the matters based on the information in the form and context in which they appear.

The information in this report, relating to West Australian Lithium Exploration Results is based on information compiled and/or reviewed by Mr Andrew Hawker, who holds a Bachelor of Science (Geology); is a Member of the AusIMM and the AIG. Mr Hawker is a consultant of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which has been undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Hawker consents to the inclusion in this report of the matters based on the information in the form and context in which they appear.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

MRG METALS LIMITED

ABN

83 148 938 532

Quarter ended ("current quarter")

30 June 2025

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	-	(106)
	(b) development		
	(c) production		
	(d) staff costs	(20)	(194)
	(e) administration and corporate costs	(78)	(454)
1.3	Dividends received (see note 3)		
1.4	Interest received	-	5
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Government grants and tax incentives		
1.8	Other (Management Fees)	-	161
1.8	Other (Reimbursement of Expenses)	-	49
1.9	Net cash from / (used in) operating activities	(98)	(539)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) exploration & evaluation	(96)	(514)
	(e) investments		
	(f) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (Reimbursement of Exploration)	-	101
2.6	Net cash from / (used in) investing activities	(96)	(413)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	801
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(15)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (Funds on Trust)		
3.10	Net cash from / (used in) financing activities	-	786

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	388	360
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(98)	(539)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(96)	(413)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	786

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	194	194

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	11	119
5.2	Call deposits	183	269
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	194	388

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	22
6.2	Aggregate amount of payments to related parties and their associates included in item 2	8
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Director Fees, Secretarial Fees, Consulting Fees, & Accounting Fees.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	Total financing facilities	NIL	NIL
7.5	Unused financing facilities available at quarter end		
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	98
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	96
8.3	Total relevant outgoings (item 8.1 + item 8.2)	194
8.4	Cash and cash equivalents at quarter end (item 4.6)	194
8.5	Unused finance facilities available at quarter end (item 7.5)	0
8.6	Total available funding (item 8.4 + item 8.5)	194
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.0
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Yes.	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Yes. Entitlement Offer to raise \$818K announced 18 July 2025.	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Yes. Entitlement Offer to raise \$818K announced 18 July 2025.	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 JULY 2025

Authorised by: THE BOARD OF MRG METALS LTD
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.