ASX Announcement:
12 June 2025

ASX: ADC

ACN 654 049 699

CAPITAL STRUCTURE

Share Price: A$0.38*
Cash: A$2.29 M*
Debt: Nil
Ordinary Shares: 74.7M
Market Cap: A$2.84M*
Enterprise Value: A$0.55M*
Options: 11.05M
Perf. Rights: 6.1M
***as of 10 June 2025**

BOARD OF DIRECTORS & MANAGEMENT

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Non-Executive Chair

Mark Saxon
Executive Director

Tom Davidson
Chief Executive Officer

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COMPANY SECRETARY
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Outstanding Economic Potential Demonstrated with Goschen Central Scoping Study.

- Study results highlight strong economics at the Goschen Central heavy mineral (HM) sand and rare earth element (REE) Project in Victoria.
- Project delivers a low capital intensity path to secure a domestic semi-refined critical and strategic metals supply, supported by a robust conventional HM zircon and titania industrial minerals operation.
- Downstream REE processing technology generates high incremental economic returns with a substantially lower energy intensity and waste footprint than competing sulphation roast flowsheets.
- Significant financial contribution delivered from high demand magnetic rare earth elements - terbium, dysprosium, neodymium and praseodymium.
- Further upside remains with exploration of the high-grade zone as highlighted in the 2024 Mineral resource update[1] and conversion of inferred resource.
- Results reinforce Goschen Central's place as a key project in the Victorian Critical minerals roadmap[2].

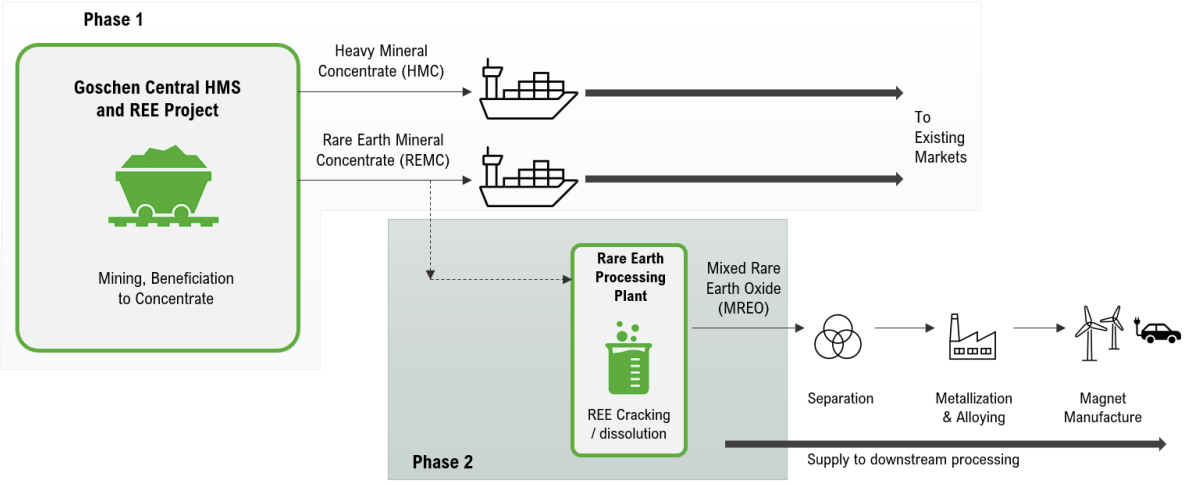

Figure 1 - ACDC Metals phased strategy. Phase 1 - Traditional heavy mineral sand operation and Phase 2 is the production of a value-add Rare Earth Element product.

ACDC Metals CEO Tom Davidson commented:

"The ACDC Metals team is very pleased with the results of the heavy mineral sand and rare earth element Scoping Study, a milestone that reflects a focused delivery since listing. Goschen Central is a generational-scale deposit that can deliver strong cashflows, and still has plenty of upside remaining from further technical and exploration work.

The vertical integration with the caustic crack process to value-add the contained REEs is a first step in the downstream processing that delivers both attractive returns and a strategically important domestic source of critical metals."

[1] ASX Announcement – ACDC Metals – 3 December 2024 – ACDC Metals Delivers Significant Upgrade at Goschen Central.
[2] ASX Announcement – ACDC Metals – 13 December 2024 – Victorian Government supports Critical minerals projects.

Disclaimer and Cautionary Statement

The Scoping Study referred to in this announcement has been undertaken is a preliminary technical and economic study of the potential viability of the Goschen Central Project and vertical integration of the Rare earth processing plant. The Scoping Study outcomes, production target and forecast financial information referred to are based on low accuracy level technical and economic assessments that are insufficient to support the estimation of ore reserves. The Scoping Study has been completed to a level of accuracy of +/- 40% in line with a scoping study accuracy. While each of the modifying factors was considered and applied, there is no certainty of eventual conversion to Ore Reserves or that the production target itself will be realised. Further exploration and evaluation work and appropriate studies are required before ACDC Metals will be in a position to estimate any Ore reserves or to provide any assurance of an economic development case.

Of the Mineral Resources scheduled for extraction in the Scoping Study production plan, approximately 82.5% are classified as Indicated and 17.5% as Inferred during the 14-year evaluation period. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised.
The Mineral Resources underpinning the production target in the Scoping Study have been prepared by a competent person in accordance with the requirements of the JORC Code (2012). For full details of the Mineral Resource estimate, please refer the ASX announcement on 3 December 2024. The Scoping Study is based on the material assumptions outlined below. These include assumptions about the availability of funding. While ACDC Metals considers all of the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the Scoping Study will be achieved.

To achieve the range of outcomes indicated in the Scoping Study, funding of in the order of A$310M in phase 1 + A$119M in phase 2 will likely be required. Investors should note that there is no certainty that ACDC Metals will be able to raise that amount of funding when needed. It is also possible that such funding may only be available on terms that may be dilutive to or otherwise affect the value of ACDC Metals shares. It is also possible that ACDC Metals could pursue other value realisation strategies such as a sale, partial sale or joint venture of the Goschen Central Project. This could materially reduce ACDC Metal's proportionate ownership of the Goschen Centrals Project. Given the uncertainties involved, investors should not make any investment decisions based solely on the results of the Scoping Study.

No Ore Reserve has been declared. This ASX release has been prepared in compliance with the current JORC Code (2012) and the ASX Listing Rules. All material assumptions, including sufficient progression of all JORC modifying factors, on which the production target and forecast financial information are based have been included in this ASX release.

A summary of the Study is provided below with additional details provided in this announcement. All financials are provided in Australian dollars unless stated otherwise.

ACDC Metals Limited (ASX: ADC) (**ACDC Metals** or the **Company**) is pleased to announce the results of the "Goschen Central Scoping Study" (the "Study") completed by independent engineering consulting firms Mineral Technologies Ltd and METS Engineering Group Ltd. The Goschen Central project provides compelling economics as a heavy mineral sand and rare earth producer as either a standalone heavy mineral sand plant (Phase 1) or when vertically integrated with ACDC Metals' proprietary Rare Earth Processing Plant Project (Phase 2). Phase 2 enables onshore downstream processing of REEs.

Study Highlights:

The Goschen Central Project ('Project') demonstrates strong economics based on a 14-year life of mine ('LoM').

The Scoping Study is based on a two-phase strategy:

Phase 1: Traditional heavy mineral sand operation, including, mining, beneficiation and associated infrastructure, to produce a zircon-titania heavy mineral sand concentrate (HMC) and a monazite-xenotime rare earth mineral concentrate (REMC).

Phase 2: Hydrometallurgical operation at a separate location to extract rare earth elements from the REMC and produce a mixed rare earth oxide (MREO). Plant located off mine-site to enable an efficient permitting pathway, simplified access to transport and chemical feed, and to enable third-party supply of monazite.

Key production and financial highlights are as follows:

- The Goschen Central processing plant is designed with a 6 million tonne per annum (Mtpa) nameplate capacity utilising a low-risk conventional flowsheet.
- **$384M NPV_8, IRR 24%** *(pre-tax) at base case pricing assumptions. Long term average forecast price assumption of US $120/kg NdPr.*
- **$613M NPV_8, IRR 32%** *(pre-tax) at upside case pricing assumptions.*
- Note: Price assumption for NdPr in base case is based on long term incentive prices which exceeds current Chinese spot price[3]. Project economics have considered scenarios from a 5 year trailing average to projected pricing to 2030 and beyond. The project is sensitive to NdPr pricing as demonstrated in Figure 10.
- **Annual EBITDA of approximately $101M** *at base case pricing assumptions.*
- Estimated capital cost for the Phase 1 heavy mineral sand operation totals $310M, inclusive of 10% ($29M) contingency.
- Capital cost for Phase 2 rare earth processing plant is funded from Phase 1 cashflows, and totals $103.5M inclusive of 10% ($12.6M) contingency, plus an additional $15.5M of modifications to the Phase 1 plant. The Phase 2 plant has a nameplate production capacity of 3,800 t/a of MREO.

Table 1 - Goschen Central Project key Financial Summary across Pricing Scenarios.

Scenario	unit	#1 NdPr - 5yr ave. HMC - base case	#2 NdPr - base case HMC - base case	#3 NdPr - base case HMC - upside	#4 NdPr - upside HMC - upside
Average NdPr Price	US $/kg NdPr	70.0	120.0	120.0	144.0
Average HMC Price	US $/t HMC	512.0	512.0	582.0	582.0
Phase 1					
REMC Payability	%	35%	35%	35%	35%
Pre-tax NPV_8	AUD $M	124.8	286.7	369	446.7
Pre-tax IRR	%	14.9%	22.8%	26.5%	29.9%
Payback period	Years	5.77	3.62	2.98	2.67

[3] 62,213.58USD/mt from Shanghai Metal Markets Praseodymium-neodymium oxide, delivered to China, VAT inclusive. As 10 June 2025.

Phase 2					
MREO Payability	%	75%	75%	75%	75%
Pre-tax NPV_8	AUD $M	77.0	384	466	613
Pre-tax IRR	%	12.0%	24.0%	27.0%	32.0%
Payback period	Years	6.8	4.0	3.5	2.98

- Average heavy mineral (HM) grade delivered to the beneficiation plant over the first 5 years is 2.9%, providing for an average production of:
  - 115,152 dmt/a of HMC (zircon and titania concentrates)
  - 6,824 dmt/a of REMC (phase 1)
  - 3,225 dmt/a of MREO (phase 2)
- A key advantage of the Goschen Central project is the dual product streams that lower project risk and help mitigate the volatility of the rare earth market. The base case phase 1 scenario demonstrates that HMC revenue covers >90% on average of total annual operating costs.
- Base case assumes that phase 2 integration commences in year 3 of operation.
- Overall TREO recovery of 85%.
- MREO contains highest demand heavy and light rare earths:
  - Terbium – 0.2 %
  - Dysprosium – 0.8 %
  - Neodymium – 18.8 %
  - Praseodymium – 5.1 %

Further upside potential in the resource to improve initial Scoping Study results:

- Scoping Study mine plan includes under 15% of the Global Mineral Resource, with potential to extend the current 14-year mine life through further exploration. Inferred resources have a low level of geological confidence and there is no certainty that further exploration work will result in the determination of indicated mineral resources.
- The current Goschen Central mineral resource is based on +38µm to -1mm size fraction. There is further opportunity to investigate inclusion of the fine fraction +20µm to -38µm to increase the heavy mineral grade in line with peer projects.

Project Overview

Goschen Central is a heavy mineral sand and rare earth element project located in the Murray Basin of northwestern Victoria. The Goschen Central Project is held within EL5278, located approximately 50 km south-southwest of Swan Hill. The Goschen Central Project includes fine-grained sheet-style HMS mineralisation, interpreted to have been deposited in an off-shore environment. Fine grained, off-shore HM deposits in the Murray Basin are often referred to as WIM-style deposits.

WIM-style deposits have been long recognised as rich potential sources of zircon and titania products (rutile, ilmenite, leucoxene), however more recently have been acknowledged for their significant rare earth element content, held in the minerals monazite and xenotime.

The Scoping Study was based on a Mineral Resource Estimate (MRE) of 620Mt @ 2.2% Total Heavy Mineral (THM), comprising of 210Mt @2.3% THM as Indicated category and 410Mt @ 2.1% THM as Inferred category[4] and characterisation testwork conducted in Q2 2023.

In addition to zircon and titania, Goschen Central provides the opportunity to vertically integrate a heavy mineral sand mining operation with a rare earth processing plant (REPP) project, to unlock a significant uplift in value through the potential production of a mixed rare earth oxide (MREO) (or equivalent).

Phase 1 of the project designed by ACDC Metals entails the construction of a long life mine at Goschen Central, paired with a nearby mineral sand processing plant, that will provide two (2) saleable products being a HMC rich in zircon and titania, and an REMC rich in monazite and xenotime, both suitable for international or domestic markets.

Phase 2 entails the construction of a rare earth processing plant (REPP) to process ("crack") a monazite concentrate via a proprietary caustic crack process to produce a MREO. Phase 2 will result in three (3) saleable products from the Goschen Central project. The monazite mineral concentrate be transported to the REPP located in South Australia for hydrometallurgical processing. Phase 2 is scheduled to come online for Year 3 of the combined operation.

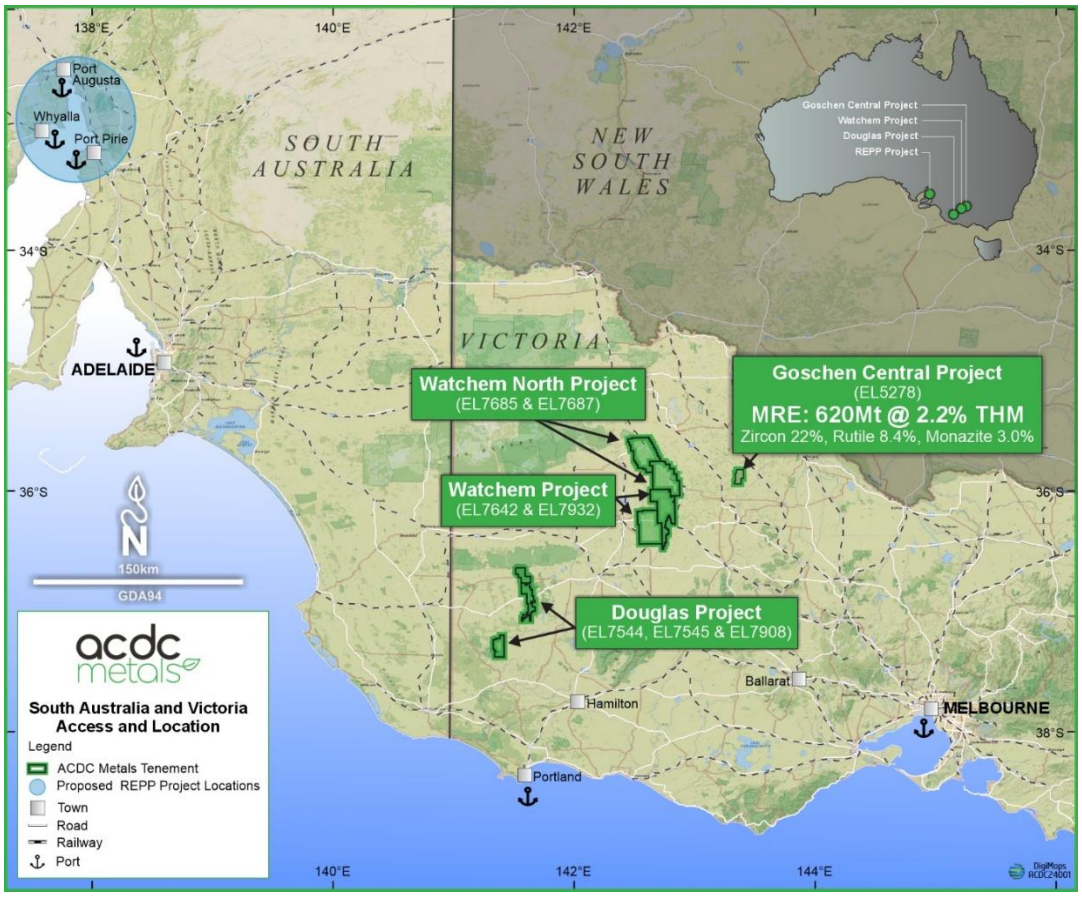

Figure 2 - ACDC Metals Project locations

[4] ASX Announcement – ACDC Metals - 3 December 2024 – ACDC Metals Delivers Significant Upgrade at Goschen Central.

Victorian Critical Minerals Roadmap

The Goschen Central Project (EL5278) has been identified in the Critical Minerals Roadmap as a key project to support the supply of critical minerals (Figure 3). The Goschen Central project contains key critical minerals, including:

- Zirconium
- Titanium (Rutile, Leucoxene, Ilmenite)
- Rare Earth Elements (key ones: neodymium, praseodymium, terbium and dysprosium).

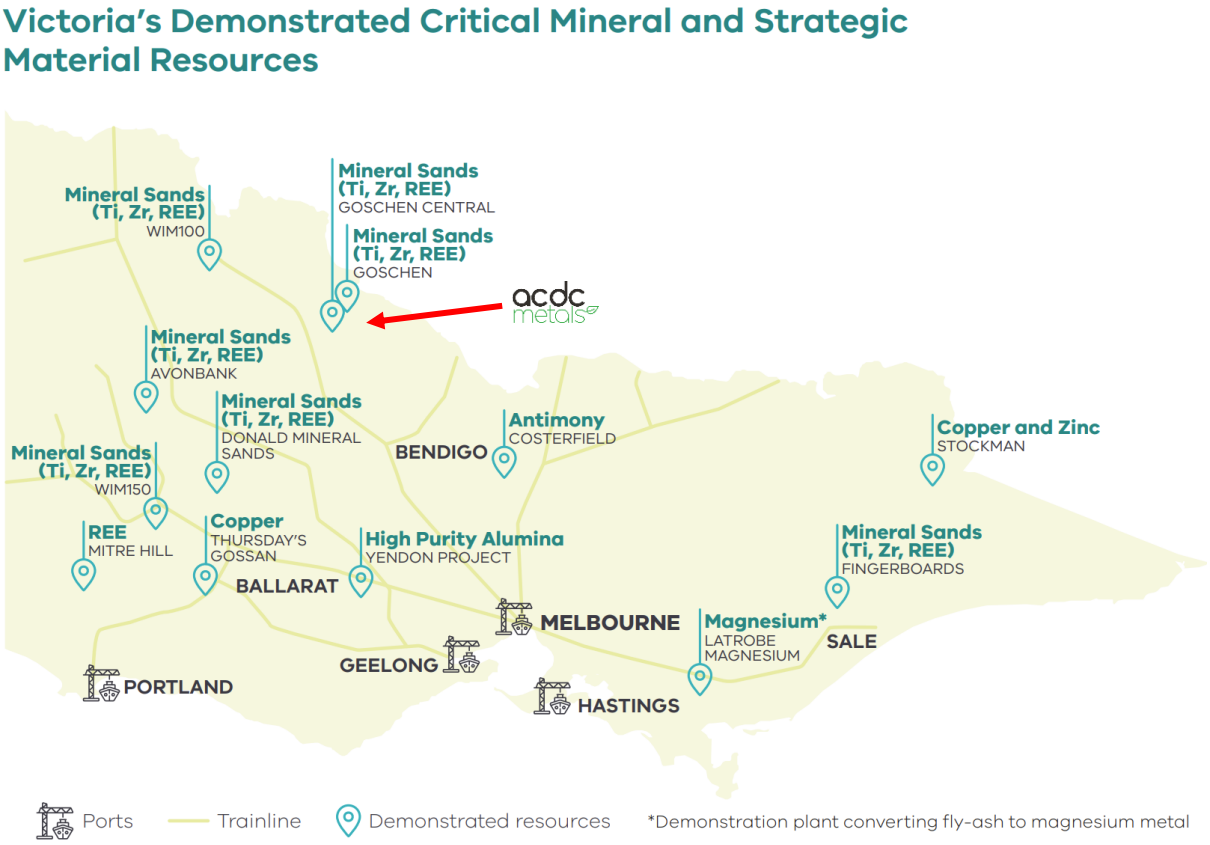

Image source: Victorian Critical Minerals Roadmap – Resources for Net Zero – December 2024.[5]

Figure 3 - Identified Victoria's critical minerals projects.

Geology and Mineralisation

Drilling conducted by CRA Exploration Pty Ltd (CRAE) in the 1980's first identified HM mineralisation at Goschen Central. Heavy mineral mineralisation at Goschen Central is of a fine-grained sheet geometry, interpreted to have been deposited in an off-shore environment. Fine grained, off-shore HM deposits in the Murray Basin are often referred to as WIM-style deposits.

Exploration at Goschen Central and elsewhere by CRAE in the late 1980s and early 1990s determined WIM-style deposits to be attractive exploration targets. Early drilling was widely spaced (1,000 m to 2,000 m), too wide to effectively identify high-grade, coarse-grained (>90 µm) strands but adequate to discover the broader and larger WIM-style deposits.

[5] ASX Announcement – ACDC Metals – 13 December 2024 - Victorian Government supports Critical minerals projects.

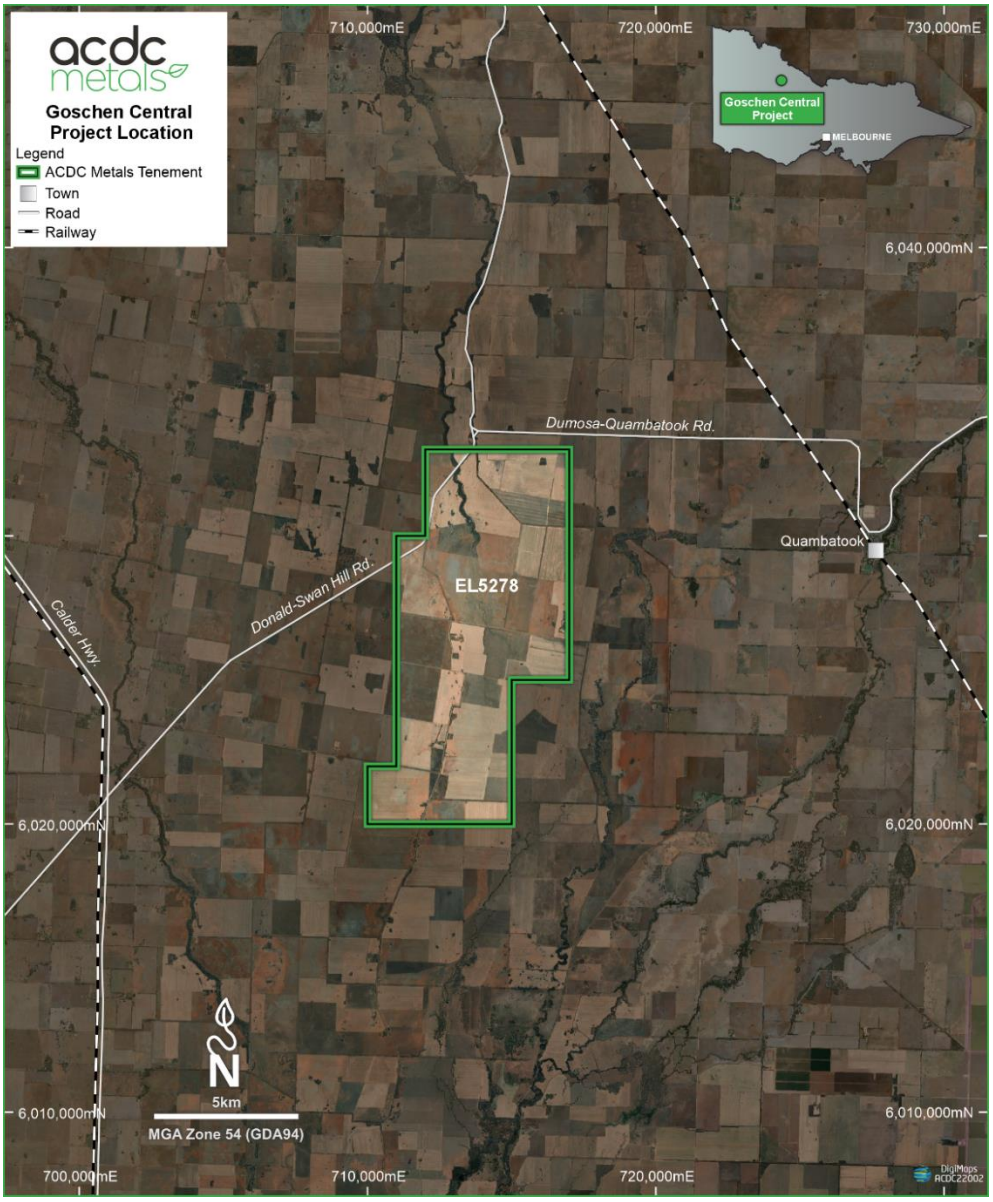

Figure 4 - EL5278 Tenement

CRAE carried out extensive exploration for HM in the Goschen Central Project area in 1998 when the company defined a large area of lobate WIM-style HM mineralisation within the south-west quadrant of the then EL4056. CRAE described the mineralogy of mineral sand concentrates using optical microscopy and grain counting.

ACDC Metals completed drilling campaigns in December 2022, 2023 and 2024 for a total of 208 holes and over 9,790 metres. Together with the processing of the bulk sample for key metallurgical and product quality data to also enable marketing study.

Mineral Resource Estimate

Snowden Optiro has provided assistance to ACDC Metals Operations Pty Ltd (ACDC Metals) with an updated Mineral Resource estimate for the Goschen Central heavy mineral sands deposit. The Goschen

Central deposit is located in the Murray Basin, approximately 50 km south-southwest of Swan Hill in northern Victoria.

The 2024 Mineral Resource estimate update used data from 258 holes (for a total of 11,655 m) drilled by

CRAE, Providence and Gold Minerals Pty Ltd (PGM) and ACDC Metals from 1984 to 2023. Data from holes drilled prior to 2022 were used solely for geological interpretation, while data from the ACDC Metals holes were used for both geological interpretation and estimation. The geological interpretation was based on 258 holes and the estimation was based on 208 holes (for a total of 9,792 m) drilled by ACDC Metals between 2022 and 2024. A total of 5,206 samples, taken over 11,655 m, have been analysed for total HM, slimes and oversize. Mineral assemblage data includes the results of 12 composite samples (from 28 drillholes totalling 457.5 m) from ACDC Metals 2022 to 2024 drillholes that were analysed using QEMSCAN.

The historical drillholes and the 2022 ACDC Metals drillholes are generally located along roads and are spaced at approximately 400 m (ACDC Metals) to 1,000 m (historical), with some infill sections at 300 m to 400 m. The 2023 and 2024 ACDC Metals infill drillholes have generally been drilled on sections that are around 250 m apart and drillholes are generally spaced at approximately 250 m.

Three-dimensional (3D) wireframed interpretations of the mineralisation were completed using Datamine software. The mineralised wireframes were interpreted using a nominal cut-off grade of 1% total HM and the higher-grade zones were interpreted using a nominal cut-off grade of 3% total HM.

The interpreted mineralised wireframes have a strike length of between 9.4 km (for the 3% wireframe) and 12.9 km (for the 1% wireframe) and range in width from 3.2 km (for the 3% wireframe) to 5.0 km (for the 1% wireframe). The mineralisation has a minimum thickness of 1.5 m, a maximum thickness of 33 m and an average thickness of 1.5 m for the 3% wireframe and 5.6 m for the 1% wireframe.

The mineral assemblage data has been estimated from QEMSCAN Mineral Abundance, chemical assays and x-ray fluorescence (XRF) data provided by Bureau Veritas. This data included zircon, monazite, xenotime, rare earth oxides and titania minerals. The following definitions were used for the titania minerals:

- Rutile: >98% TiO2
- Leucoxene: 70 to 98% TiO_2
- Ilmenite: 45 to 70% TiO_2.

The resource model was constructed using a parent block size of 100 mE by 100 mN on 1 m benches; the parent blocks were allowed to sub-cell down to 25 mE by 25 mN by 0.25 mRL to more accurately represent the geometry and volumes of the mineralisation domains. Block grades for total HM, slimes and oversize were estimated into the parent blocks using ordinary kriging (OK) techniques. Block grades were estimated for the mineral assemblage components (ilmenite, leucoxene, rutile, zircon, xenotime, monazite) and rare earth oxides using an inverse distance squared (ID^2) technique.

Bulk density has not been measured at Goschen Central, and bulk density was estimated using a formula (Density = 1.698 + 0.009 x total HM). The estimated density is in line with average density data that has been used for early-stage Mineral Resource estimation of WIM-style deposits elsewhere in the Murray Basin.

The Mineral Resource has been classified according to the guidelines of the JORC Code (2012) into Indicated and Inferred Mineral Resources, taking into account data quality, data density, geological continuity, grade continuity and confidence in the estimation of heavy mineral content and mineral assemblage.

The nominal drill spacing for the 2022-2024 drilling is approximately 250 mE by 250 mN in the central portion of the tenement, which has been classified as Indicated. In general, the historical drillhole spacing ranges are restricted to roadsides and on a spacing ranging from 400 m to 1,000 m which has been classified as Inferred.

The 2024 Mineral Resource has been reported above a 1% total HM cut-off grade in Table 22. This cut-off grade, which was selected by ACDC Metals in consultation with Snowden Optiro based on current experience and is commensurate with cut-off grades applied for the reporting of heavy mineral sand Mineral Resources elsewhere in Australia. It is considered that the entire Goschen Central deposit has reasonable prospects for eventual economic extraction by open pit mining.

The total Indicated and Inferred Mineral Resource, reported above a cut-off grade of 1% total HM Table 22, is 620 Mt with an average grade of 2.2% total HM. The total HM is estimated to contain 8.4% rutile, 11% leucoxene, 21% ilmenite, 22% zircon, 3.0% monazite, 0.45% xenotime and 2.7% total rare earth oxides (TREO).

Table 2 Goschen Central deposit – 2023 Mineral Resource reported above a cut-off grade of 2% total HM

	Tonnes (Mt)	Total HM %	Slimes %	Oversize %	% of total HM - Rutile	Leucoxene	Ilmenite	Zircon	Monazite	Xenotime	TREO	TREO – CeO_2
Indicated	210	2.3	21	4.3	9.1	10	22	24	3.4	0.45	2.9	1.9
Inferred	410	2.1	21	4.2	8.1	12	20	21	2.8	0.45	2.5	1.6
Total	**620**	**2.2**	**21**	**4.2**	**8.4**	**11**	**21**	**22**	**3.0**	**0.45**	**2.7**	**1.7**

	% of total HM														
	Y_2O_3	La_2O_3	CeO_2	Pr_2O_3	Nd_2O_3	Sm_2O_3	Eu_2O_3	Gd_2O_3	Tb_2O_3	Dy_2O_3	Ho_2O_3	Er_2O_3	Tm_2O_3	Yb_2O_3	Lu_2O_3
Indicated	0.50	0.48	1.0	0.12	0.42	0.077	0.0040	0.077	0.011	0.073	0.016	0.050	0.007	0.052	0.008
Inferred	0.43	0.42	0.9	0.11	0.36	0.067	0.0033	0.066	0.010	0.063	0.014	0.043	0.006	0.045	0.007
Total	**0.45**	**0.44**	**0.9**	**0.11**	**0.38**	**0.071**	**0.0036**	**0.070**	**0.011**	**0.066**	**0.014**	**0.045**	**0.007**	**0.048**	**0.008**

Notes:

- *Mineralisation reported above a cut-off grade of 1.0% total HM.*
- *The Goschen Central deposit Mineral Resource has been classified and reported in accordance with the guidelines of the JORC Code (2012).*
- *Total HM is from within the +38 µm to 1 mm size fraction and is reported as a percentage of the total material. Slimes is the -38 µm fraction and oversize is the +1 mm fraction.*
- *Estimates of the mineral assemblage (rutile, leucoxene, ilmenite, zircon, monazite and xenotime) and are presented as percentages of the total HM component, as determined from XRF, assay and QEMSCAN analysis. QEMSCAN data used the following breakpoints for definition of the titania minerals: rutile >98% TiO_2, leucoxene: 70 to 98% TiO_2 and ilmenite: 45 to 70% TiO_2.*
- *Rare earth oxides are from XRF data and are presented as percentages of the total HM component.*
- *All tonnages and grades have been rounded to reflect the relative uncertainty of the estimate.*

PROJECT GEOLOGY AND HISTORY

Regional geology

The Goschen Central project is located in the Murray Basin of south-eastern Australia. The Murray Basin is a low-lying, saucer-shaped intra-cratonic depression containing thin, flat-lying Cainozoic sediments. It extends approximately 850 km from east to west and 750 km from north to south, covering an area of 300,000 km^2 of south-western New South Wales, north-western Victoria and south-eastern South Australia.

A Tertiary succession of freshwater, marine, coastal, and continental sediments including HM were deposited in the basin. Much of the sedimentary sequence is the result of repeated marine incursions from the south-west, with the latest transgression-regression event resulting in deposition of the Late Miocene to Late Pliocene Loxton Sand (previously named the Loxton-Parilla Sand).

The Loxton Sand was deposited in shallow-marine, littoral, and fluvial conditions and comprises fine to coarse-grained, commonly moderately well-sorted sand with minor clay, silt, mica, and gravel and is the host sequence to all the known heavy mineral sand deposits in the Murray Basin. These deposits are of two principal types: the coarser-grained smaller “strand-style” occurrences and the finer-grained large WIM-style (e.g. Goschen Central).

The WIM-style deposits, named after the Wimmera area of the Murray Basin, consist of a solitary or composite broad, lobate sheet-like body of considerable aerial extent, highly sorted and associated with fine micaceous sand. These deposits are thought to represent accumulations formed below the active wave base in a near-shore environment, possibly representing the submarine equivalent of the strand-style deposits. The WIM-style deposits are considerably larger in tonnage and lower in grade than strand-style deposits.

DATA USED FOR MINERAL RESOURCE ESTIMATE

Data sources

The 2024 Mineral Resource estimate has used all available data from holes drilled by CRA, Providence Gold and Minerals (PGM) and ACDC Metals from 1984 to 2024. CRA explored the Goschen Central project area from 1984 to 1997 and data was reported under the ELs 3258, 3259 and 3260. The data from the CRA drillholes was compiled from the GeoVic (Energy and Earth Resources, State Government Victoria) website, http://geology.data.vic.gov.au/. PGM drilled eight holes in 2011 and Iluka Resources Ltd (Iluka) analysed 71 samples from these drillholes. A further four holes were drilled by PGM in 2018 and assayed in 2020.

Survey and topographical data

The historic drillhole coordinate data was compiled from the GeoVic (Energy and Earth Resources, State Government Victoria) website, http://geology.data.vic.gov.au/. The historic drillhole coordinates and the ACDC Metals drillhole coordinates are recorded as MGA94, Zone 54 coordinates.

A topographical surface was generated by ACDC Metals from Shuttle Radar Topography Mission (SRTM) data. All drillholes are vertical and the historic drillhole collar elevations were determined from this topographical

surface. Drillhole collar data was surveyed for northing and easting by ACDC Metals using a Garmin handheld GPS with an accuracy of +/-3 m. The collar elevations were determined using the topographical surface.

Snowden Optiro recommends that detailed topographical data from a light detection and ranging (LiDAR) survey is obtained. This more detailed and accurate data should be used for resource estimation and to adjust the drillhole collar elevation data.

Drillhole data

The 2024 Mineral Resource estimate used data from 258 holes (for a total of 11,655 m) drilled by CRA, PGM (and Iluka) and ACDC Metals from 1984 to 2024 (Table 3). Data from holes drilled prior to 2022 were used solely for geological and mineralisation interpretation and the ACDC Metals' holes were used for both interpretation and estimation. The geological and mineralisation interpretation was based on data from 258 drillholes and the estimation was based on data from 208 holes (for a total of 9,792 m) drilled by ACDC Metals in 2022 and 2024. A total of 5,206 samples, taken over 11,655 m, have been analysed for total HM. The historic drillholes and the 2022 ACDC Metal drillholes are generally located along roads and are spaced at 400 m (ACDC Metals) to 1,000 m (historic), with some infill sections at 300-400 m. The 2023 and 2024 ACDC Metals drillholes have generally been drilled on sections that are around 250 m apart and drillholes are generally spaced at approximately 250 m.

Table 3 Drillholes used for 2023 Mineral Resource estimate.

Company	Year	# of drillholes	Total metres	# of samples	Comment
CRA	1984-1997	38	1,356	268	Used for geological and mineralisation interpretation only
PGM/Iluka	2011	8	336	71	
PGM	2018-2020	4	171	60	
ACDC Metals	2022	21	884	700	All geological, assay and mineral assemblage data used for resource model.
	2023	119	6,027	2,870	
	2024	68	2,881	1,237	
Total		**258**	**11,655**	**5,206**	

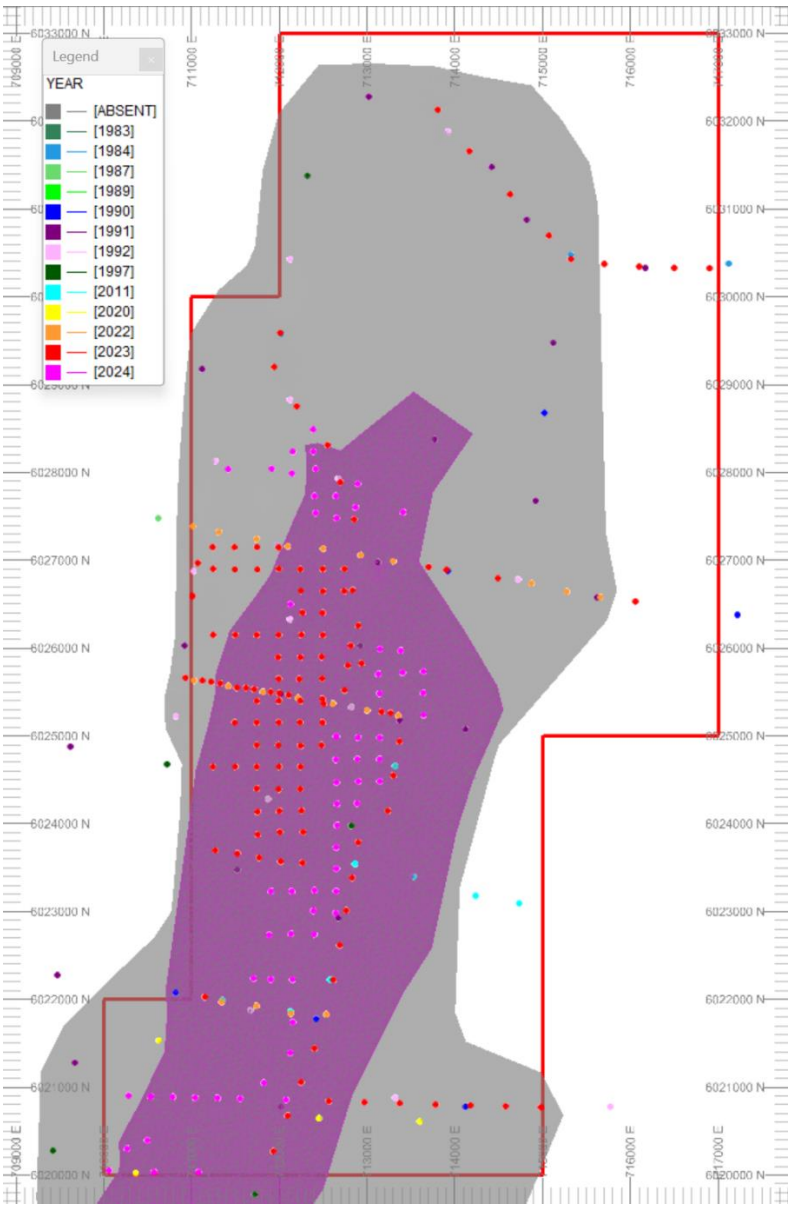

Figure 5 - Location of drillholes used for 2024 Mineral Resource estimate (coloured by year), interpreted 1% total HM wireframe (grey), 3% total HM wireframe (purple) and tenement (red outline)

Mining

The following mining method assumptions were made based on analogous WIM-style projects in the Murray Basin:

- Topsoil and subsoil stripping via tractor pulled scoops
- Conventional truck and excavator load and haul for overburden and ore
- Ore hauled ex-pit to a run of mine (ROM) stockpile
- Ore rehandled from the ROM stockpile to an ex-pit mining unit
- Overburden either hauled to stockpile or direct returned to the pit void
- Tailings deposition via modified co-disposal (ModCoD)
- Majority of land returned to pre-mining land use (dryland agriculture)

Typical mining operations will proceed in a continuous cycle of site clearance, topsoil, subsoil, and overburden removal, ore extraction, tailing deposition, replacement of topsoil, subsoil, and overburden, and revegetation. It has been assumed that blasting will not be required, and any preliminary breakage of ore can be handled via dozer ripping. A mining method options assessment was not completed for the purposes of this study.

Figure 6 – Example of Overburden Mining

To align with the proposed mining method, the chosen Whittle shells were consolidated into mining blocks of 200m x 200m for scheduling purposes. The mining blocks and sequence were used as the basis of the mine production schedule developed on an annual basis. This resulted in a total production target of 77.9 Mt @ 2.6% THM In-Situ with a mine life of 14 years.

Production Schedule (Life of Mine)

Table 4 - Production Schedule (Life of Mine)

Year	Overburden (Mt)	Mining (Mt)	HM (%)	Slimes (%)	Oversize (%)
1	18.98	4.4	3.4%	19.2%	5.4%
2	19.03	6.0	3.4%	21.4%	4.1%
3	17.32	6.0	3.1%	18.2%	4.2%
4	12.77	6.0	2.4%	18.1%	4.8%
5	12.77	6.0	2.4%	19.7%	3.4%
6	12.81	6.0	2.5%	22.3%	5.3%
7	12.77	6.0	2.5%	20.7%	4.8%
8	12.77	6.0	2.6%	20.1%	3.9%
9	12.77	6.0	2.5%	21.7%	4.6%
10	12.81	6.0	2.4%	23.2%	4.9%
11	12.77	6.0	2.7%	23.8%	4.7%

12	12.77	6.0	2.0%	21.9%	6.0%
13	1.39	6.0	2.2%	20.9%	4.7%
14	-	1.4	2.4%	21.0%	4.9%

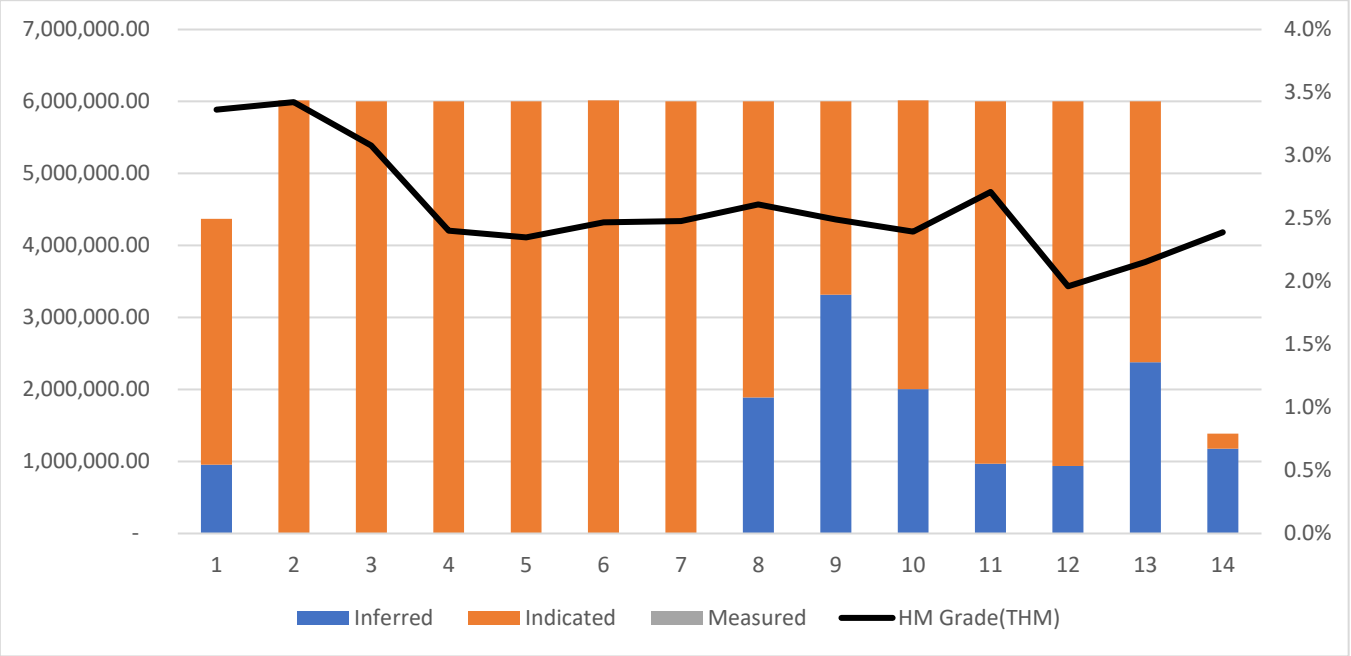

Figure 7 - Production Schedule by category (Life of Mine)

The LoM production schedule utilises 82.5% indicated material, and 96.6% in the first 5 years operations.

Metallurgy and Testwork

In 2023 Detailed characterisation test work was completed on a sample from Goschen Central at Mineral Technologies' Carrara Metallurgical Services Laboratory. The objective of the test work was to assess the amenability of the material to conventional mineral sand separation techniques and quantitatively evaluate the products and concentrates generated.

Additionally in 2024 ACDC Metals completed the bulk sample metallurgical testwork program at Mineral Technologies[6]. The results of the program:

- Are typical for a Murray Basin "WIM style" heavy mineral sand project, with characteristics similar to other projects in the region, supporting a fast track for plant design.
- Testwork validates the nominated flowsheet, where:
  - Monazite concentrate yielded 60.5% total rare earth oxides (TREO).
  - Chemical grade Zircon achieved.
  - Heavy Mineral Concentrate achieved >25% Zircon and > 27% Titania grades.
- The product data has been provided to key independent marketing consultants and used to develop long term price forecasting and support offtake and strategic discussions.

[6] ACDC Metals – ASX Announcement – 17 February 2025 – Met. Testwork program Completed for Goschen Central

Processing

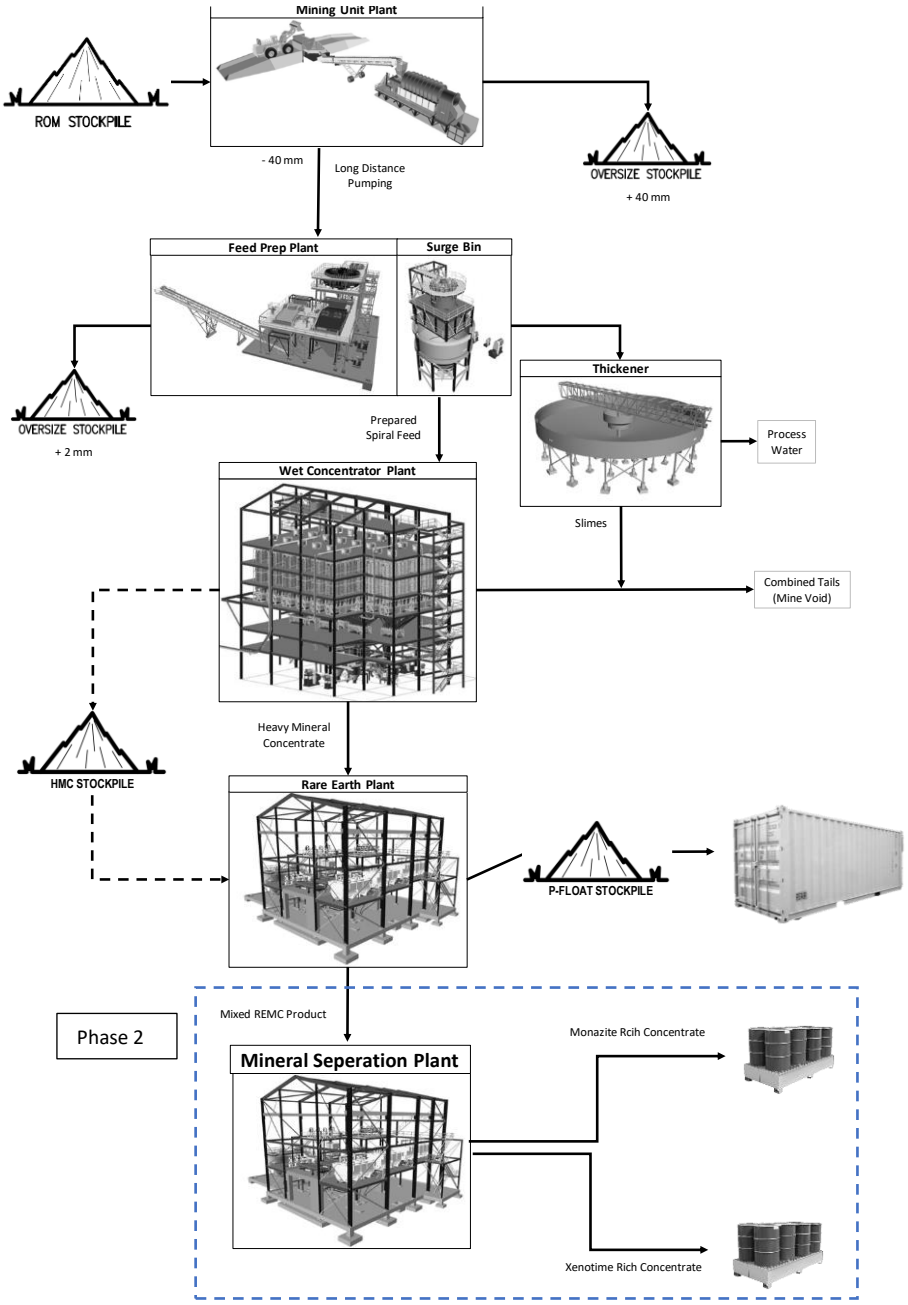

Figure 8 - Simplified block flow diagram of Goschen Central processing plant

Mineral Sand Processing – Phase 1

HM Processing plant design utilises conventional low risk physical beneficiation techniques employed widely in the mineral sands industry. The design and execution of this project will feature modular construction and off-site pre-assembly. Advantages of a modular design are realised during the construction stage, particularly in labour productivity and ability to control quality, reducing site construction time, exposure to safety hazards, industrial relations sensitivity, weather, and improves the availability of work fronts and providing ability to spread work packages across a number of suppliers to be completed concurrently.

Mining Unit Plant and Feed Preparation Plant

The dump hopper at the Mining Unit Plant (MUP) will be fed using front end loaders to blend mined stockpiles. There is a 500 mm grizzly screen on the dump hopper to protect equipment from any grossly oversized material. A belt feeder and conveyor will transfer the material at a controlled tonnage to the scrubber where it will be slurried and pumped to the Feed Preparation Plant (FPP).

The characterisation testwork for the ore body reported 2.6% of the material + 1 mm and 18.4% <20 um. The slurried ore is pumped from the scrubber at the MUP to the feedbox of a 1 mm sizing screen with the oversize sent to tailings and the undersize pumped to a cluster of deslime cyclones. The cyclone overflow, containing slimes, is sent to the tailings thickener and the undersize reports to the ROM Surge Bin to feed the spirals.

Wet Concentrator Plant

The Wet Concentrator Plant (WCP) receives the prepared feed slurry from the surge bin and consists of a 4 stage spiral circuit to produce a HMC concentrate. Mineral Technologies' MG12 spirals have been selected for the first three stages, and HG10i spirals selected for the final recleaner stage. The MG12 spiral model is a high performing gravity separator that combines a rougher and scavenger stage on the same column. The high concentrate grades and recoveries achievable on an MG12, in a single pass, lead to concentrator plants that are greatly simplified and capable of higher overall metallurgical performance. The HG10i spiral model is a widely used gravity separator specifically designed to complete final upgrade separation in gravity concentrator plants.

Table 5 – Nominated recovery ranges to HMC

Item	Recoveries to HMC
TiO_2	35 – 49
ZrO_2	78 – 89
CeO_2	73 – 82

The HMC concentrate from the WCP is pumped to a small Surge Bin in the REP building for further processing and the tailings are pumped to the tailings sump.

Rare Earth Flotation Plant and Rare Earth Dry Plant

The rare earth flotation, dry plant and product loadout is housed in a fully enclosed building with an internal partition separating the wet and dry processing areas. This building is independent from the other process areas, with its own change rooms and control room.

The first stage of processing in the REP building is attritioning of the material to prepare the surface of the particles for flotation. The attritioned and deslimed HMC passes through a series of conditioning tanks, where the flotation reagents are added at the required rates and thoroughly mixed. The rare earth particles then adhere to the air bubbles and are carried to the surface where they are collected in the froth.

The washed float concentrate is then passed over a series of wet shaking tables to reduce gangue entrained in the froth. The concentrate from the tables is combined to produce the final REMC product. This product is

then pumped to a small vacuum belt filter where the material is evenly distributed across on the filter belt cloth in preparation for the dry circuit.

The dry REMC passes through 4 stages of induced roll magnetic separators set at different magnetic intensities. The xenotime concentrate is produced in the lower magnetic intensities (3.0-3.5A mag) while the monazite is concentrated in the higher magnetic intensities (4 – 8.0A mag).

The monazite and xenotime rich concentrates are classified as class 7 material for transport and will be packaged by an automated drum loader before being loaded into a container.

The sinks from the floatation circuit, a Zr-Ti concentrate (the HMC), is pumped to a large vacuum belt filter and loaded to containers via a retractable conveyor.

Table 6 – Nominated recovery ranges to REMC

Item	Recovery post flotation
TiO_2	94 – 99
ZrO_2	91 – 96
CeO_2	81 - 86

Rare Earth Processing Plant – Phase 2

The REPP Project is based on the caustic crack method that has incorporated over 5 years of development to refine existing technology to maximise reagent and energy efficiencies and minimise waste generation. The process will produce a mixed rare earth oxide with the option to separate out cerium and/or a phosphate product suite.

As part of the Scoping Study ACDC Metals has completed a localisation study with an environmental consultant to assess the flowsheet from a permitting perspective. Preliminary locations have been nominated that meet infrastructure and transport requirements. Opportunities have also been highlighted with the nominated waste stream for further characterisation and market development.

A key advantage of the REPP caustic crack process, relative to the more widely used sulfurnation roast process is its low waste ratio of less than 1:1. The Scoping study evaluated both offsite storage and a single byproduct stream that would provide zero revenue. The base case for the Scoping Study is a single byproduct, however a variety of optimisation opportunities will be evaluated in future work.

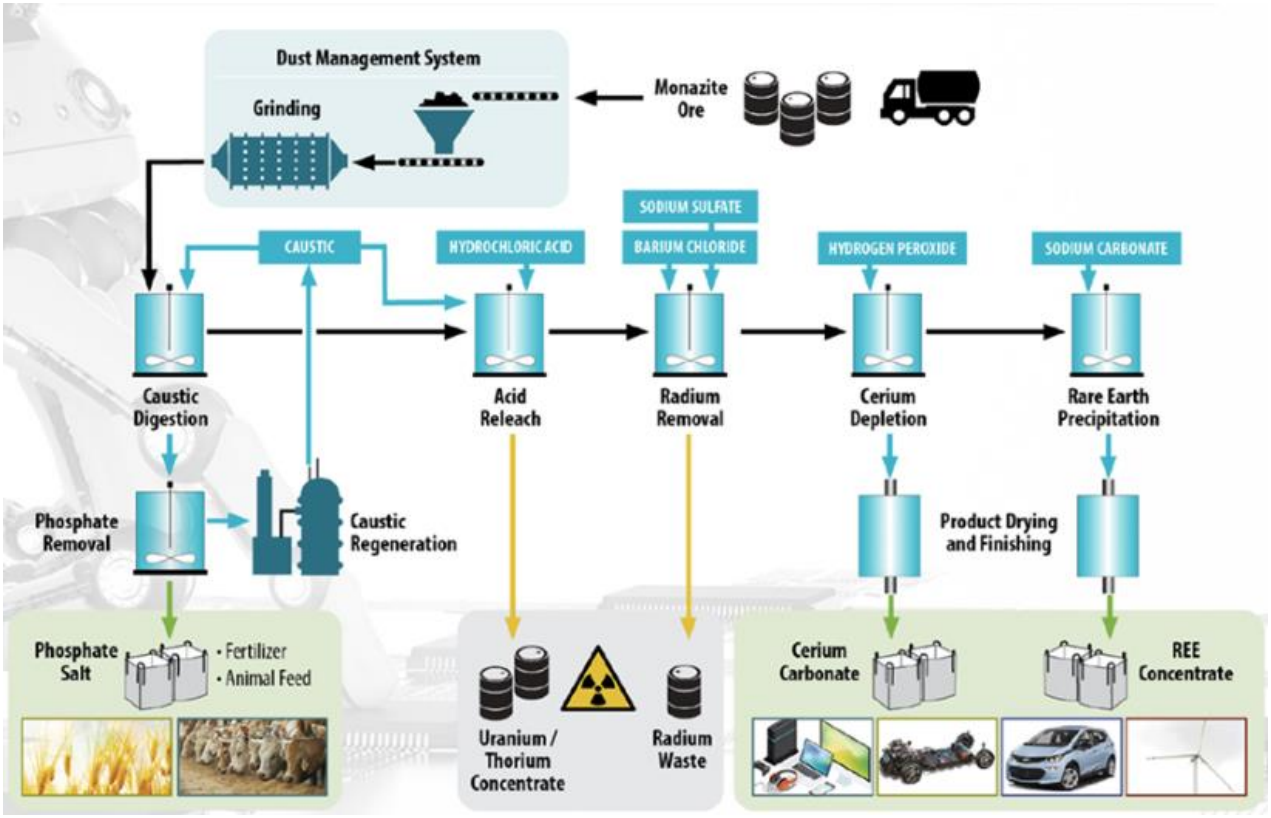

Figure 9 - Rare earth processing plant flow diagram

Product pricing
Rare Earths

The market analysis data has been collated from various sources, including peer projects, market analyst research and engagement with expert analysts, such as Adamas Intelligence (Adamas).

The demand for rare earth elements to support the energy transition and decarbonisation is well documented, as is and the strategic imperative by governments to shore up supply chains of critical minerals. Forecasts indicate the demand for magnetic REEs will double from current levels by 2030.

The key metals to support the magnet manufacturing are Neodymium (Nd), Praseodymium (Pr), Dysprosium (Dy) and Terbium (Tb) which together account for 94% of the REE basket value. The pricing deck has been based on long term forecasts that reflect the current and demand growth conditions.

Three scenario's have been considered for NdPr pricing:

1. **Historical average Price Scenario – US $70/kg NdPr:** Based on 5-year trailing average. Ex works and applied without indexation over the LoM.
2. **Base case Price Scenario – US $120/kg NdPr:** Based on various sources, ex works and applied without indexation over the LoM. This forecast aligns with various broker and peer forecast consensus from 2030 (start of production) and beyond.

3. **Upside Case Price Scenario – US $144/kg NdPr:** Based on various sources, ex-works and applied without indexation over the LoM. This forecast aligns with the upper limit of estimates with various broker forecast consensus from 2030 (start of production) and beyond.

Payability

Given that the project will deliver REE products at various stages of processing/extraction, the nominated payables are a key financial metric. Payables are based on the contained value within the concentrate and at the level of refinement. Payability ranges were provided by Adamas and for the purpose of the base case financial modelling the following factors were nominated.

Rare Earths - Phase 1

The base case of 35% payable for the rare earth mineral concentrate product has been selected for Phase 1.

Rare Earths - Phase 2

In Phase 2, separate monazite and xenotime concentrates will be produced at the Goschen Central processing plant:

- The xenotime concentrate pricing structure is the same basis as the REMC in Phase 1, where a 35% payable is applied on the contained value. This will be considered a highly desirable product given the high levels of heavy rare earth elements.
- The monazite will be transported to the REPP Project in South Australia for upgrading to produce MREO, for which a 75% payable is applied on the contained value.

Mineral Sands

The key product specifications determined by the testwork program were provided to TZ Minerals International Pty Ltd (TZMI). TZMI are an independent marketing provider with a vast knowledge of the global market. They were engaged to evaluate the product suite and provide in-depth analysis on marketing and pricing structures for the Scoping Study. The HMC sample evaluated by TZMI was post the flotation stage, where monazite and xenotime have been removed.

It was determined that the Goschen Central products benchmark well against peer Murray Basin projects that are more advanced and nearing execution. Forecast pricing for a HMC product was provided, along with recommendations for expected ranges to analyse in the Scoping Study.

The TZMI price forecast estimates that 85% of the value per tonne of HMC will be from a combination of both standard and premium Zircon, with the remaining 15% value based on a combined Titania concentrate. Long term pricing of $490 US/tonne FOB was recommended.

In addition to engagement of TZMI, ACDC has been working with key HMC customers in Asia, and based on the product specifications provided gave estimates of $424 to $582 per tonne CIF. For the study the base case scenario will use $512 / tonne.

Capital Estimate

Capital cost (CAPEX) has been produced in line with AACE Class 5 estimates and based on a combination of market pricing, typical industry factors and benchmarking, with an accuracy +/-40%, which is appropriate for Scoping level analysis. The breakdown per phase has been provided in Table 9.

Table 7 - Itemised CAPEX per phase

Item	Phase 1 ($m)	Phase 2 ($m)
Goschen Central Plant	175	15.6
REPP Process	-	59.1
Infrastructure	72	19.1
General Site wide	5.2	
Mining	4	-
Tailings	15	-
Working Capital	10	12.6
Contingency	28.5	12.6
TOTAL	**310**	**119.4**

Operating Estimate

The operating costs (OPEX) have been produced in line with AACE Class 5 estimates as part of the Scoping Study and is based on a combination of bottom-up estimates and industry benchmarks as provided from the minerals sands and hydrometallurgical consultants.

The costs have been estimated to an accuracy of +/-40%. The breakdown per phase has been provide in Table 8.

Table 8 - Itemised OPEX per phase

Item	Phase 1 ($/t ore)	Phase 2 ($/t ore)
Mining	8.7	8.7
Processing – Goschen Central	6.1	6.3
Processing - REPP	-	4.3
General Administration	0.8	0.8
TOTAL	**15.6**	**20.1**

Financial analysis

A discounted cash flow model has been prepared by ACDC Metals and has been based on the 14-year mine plan for the feed of mineral sands material to produce saleable heavy mineral concentrate and rare earth concentrate in Phase 1, and to vertically integrate the production of rare earth oxides in Phase 2. Included was all capital and operating processing plant costs and associated infrastructure as determined by the Project.

Table 9 - Key input parameters

Metric	Unit(s)
Heavy Mineral Concentrate price	Refer to product pricing
Rare earth pricing and payable	Refer to product pricing
REMC freight	150 $/t
XMC freight	150 $/t
MREO freight	150 $/t
Reporting currency	Australian Dollar (AUD)
Foreign Exchange (USD to AUD)	0.65
Royalty & levies	2.75% Victorian State Government 1.75 % Private
Discount rate	8%
Escalation	Excluded

The installation of the REPP project delivers a pre-tax net present value (NPV_8) of A$384 million, an internal rate of return (IRR) of 24%, a payback of 4 years.

Key Project financial metrics, including payback periods are presented in Table 10.

Table 10 Key Financial Metrics

Metric	Unit(s)	Phase 1	Phase 1 and 2
Pre-tax NPV_8	A$m	287	384
Pre-tax IRR	%	22.8%	24.0%
Payback from commencement of production	years	3.6	4.0
Capital Investment (excl. sustaining)	A$m	310	429
Life of Mine	years	14.0	14.0
Processing Capacity	ROM Mtpa	6	6
Average ore grade (THM)	%	2.6%	2.6%
Average strip ratio (waste:ore)		2.21	2.21
Rare earth mineral concentrate	Ave tpa	6,712	8,119
Mixed rare earth oxide	Ave tpa	-	3,041
Xenotime mineral concentrate	Ave tpa	-	480
Zircon-titania HMC	Ave tpa	100,610	100,610
Mixed rare earth oxide payable	%	-	75%
Rare earth mineral concentrate payable	%	35%	35%
Xenotime mineral concentrate payable	%	-	35%
Average revenue per annum	A$m	170.7	219.6
Average opex per annum	A$m	86.8	111.7
Average EBITDA per annum	A$m	76.2	101.0
Average revenue	A$/t ore	30.7	39.5
Average operating cost	A$/t ore	15.6	20.1

The Phase 1 results represent a scenario where Phase 2 is not implemented. Phase 2 requires additional capital expenditure.

Sensitivity analysis

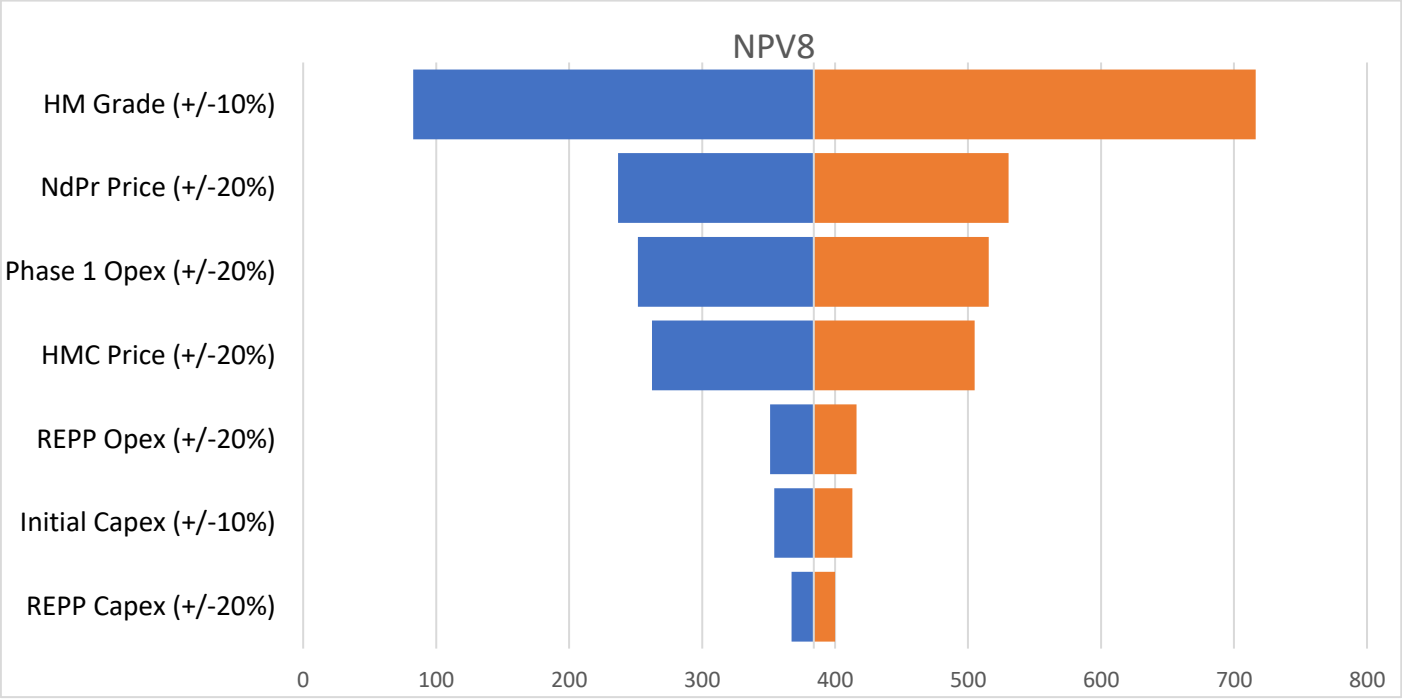

Figure 10 - Pre-tax NPV sensitivities to a nominated fluctuations across select parameters.

Figure 11 - Sensitivity Analysis of Discount Rate applied and effect on NPV for Base case scenario.

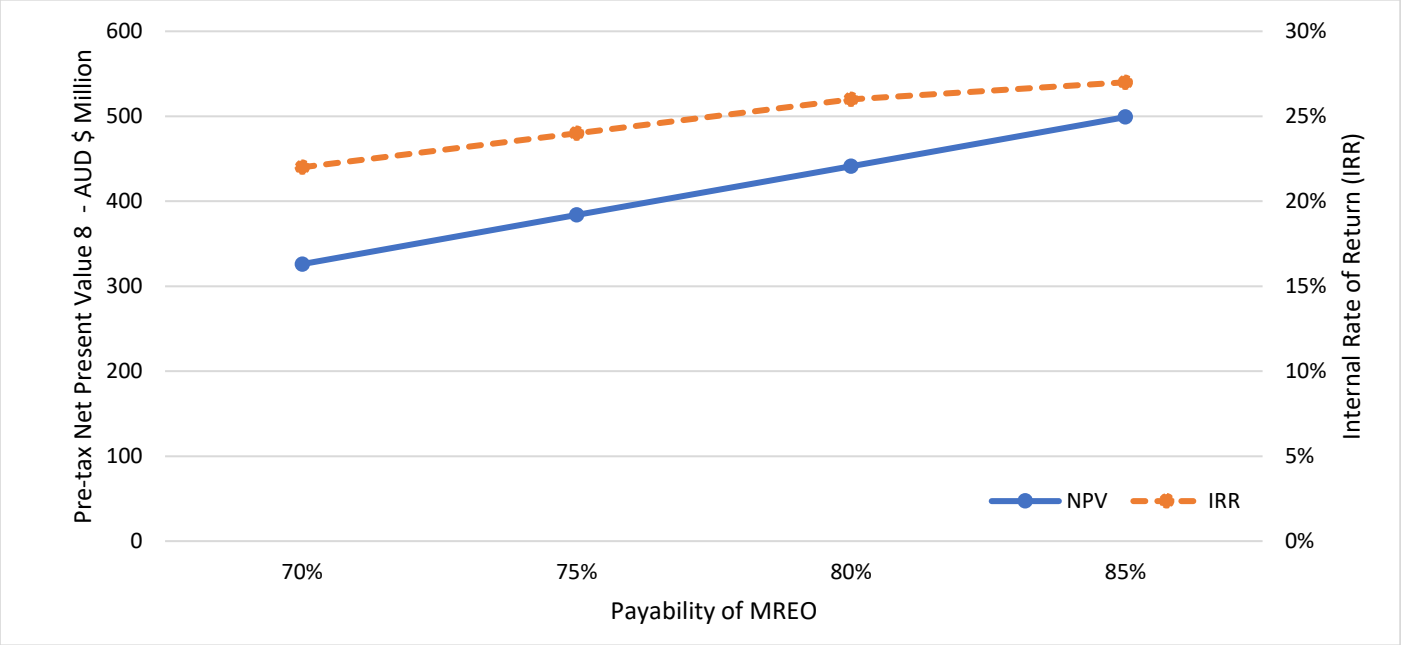

Figure 12 - Sensitivity Analysis of Payability of MREO and effects to NPV and IRR for Base case scenario.

MREO payability – The impact on phase 2 economics is directly related to the MREO payability as demonstrated in Figure 12. Research and benchmarking activities conducted to date show a high variability across the industry. ACDC Metals has taken a conservative approach and used 75% payability for all scenarios. As the project develops further work will be conducted to explore higher payabilities as aligned with other peer projects.

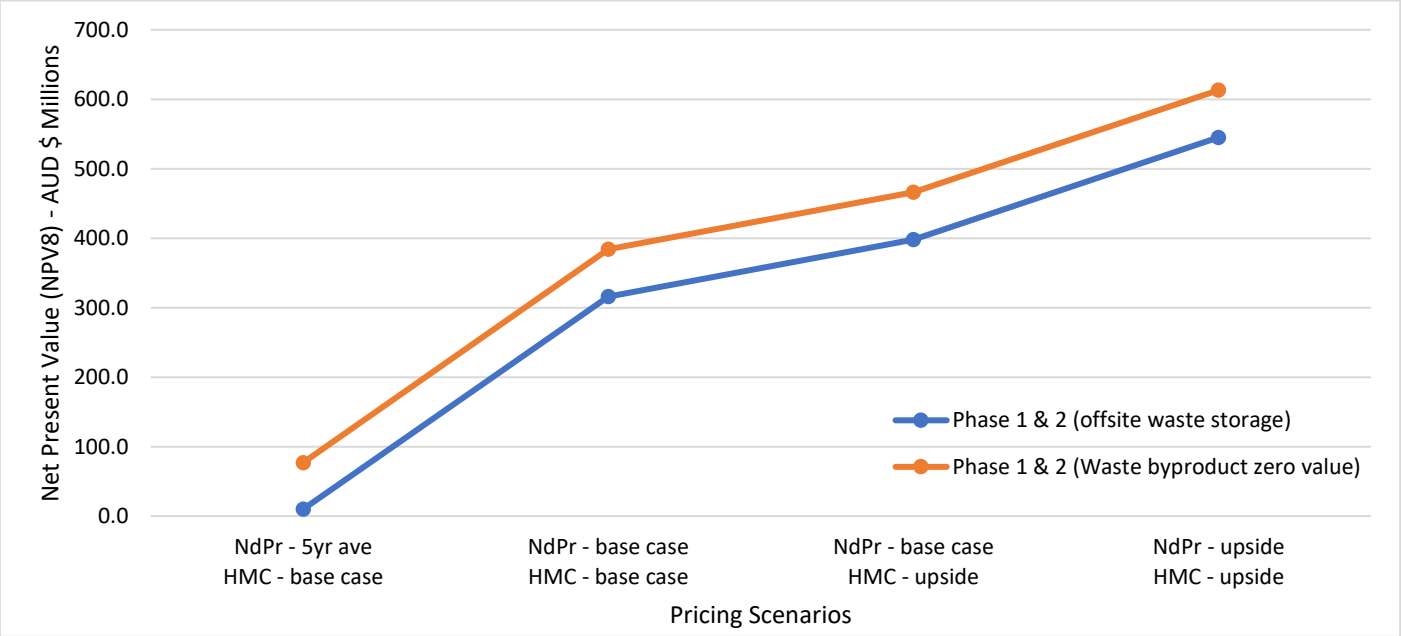

Figure 13 - Sensitivity Analysis of Phase 1 & 2 project with Waste management.

Waste management – The base case for the REPP project is to combine all waste streams into one where it is a zero value byproduct for storage locally. Additional evaluation has been completed for offsite storage, this

includes packaging and transport to low level radioactive storage facility. The management of waste is greater than 25% of total operating costs for the REPP plant. Further stages of development will look at waste storage optimisation, and market studies for potential additional revenue for the project. Figure 13 demonstrates the impact of the cost across the pricing scenarios evaluated for the study.

Potential upside

Mineral resource – The JORC compliant mineral resource estimate is based on the total heavy mineral p -1mm and +38µm fraction. The process plant has been designed to accommodate the finer fraction +20µm to -38µm. Further exploration and mineralogy will be conducted to test and validate the inclusion of the finer fraction similar to the project design of WIM-style deposits being developed by peer companies. As per Figure 10, an incremental increase to the heavy mineral grade is forecast to have significant positive impacts to the project.

Resource development

- The 2024 Mineral resource update highlighted the opportunity and potential for expansion of the high-grade zone.
- The current mine plan produced for the scoping study utilises under 15% of the total resource, further drilling campaigns and conversion of inferred material to indicated would enable potential extension to the mine life.

Environmental

The Scoping study has included initial environmental assessments to understand the permitting pathway for the project and to plan for baseline data collection over the coming development stages. Initial reviews have not identified areas of concern that would delay or impact the project from proceeding through the normal approval pathway. The Murray Basin is an active area of mine development with numerous peer projects progressing through permitting.

Rehabilitation and closure

As the area affected by the mine is progressively rehabilitated during mining operations, the final closure costs for rehabilitation of the final mine pit, tailings, processing facilities and associated infrastructure are expected to be minimal.

Project Ownership

ACDC Metals has an 80% beneficial interest in the Goschen Central Project (EL5278), with the 20% held by Providence Gold and Minerals Pty Ltd (ACN 004 881 789) (PGM). At completion of a Definitive Feasibility Study (DFS) a Joint Venture will be established. Where if PGM elects not to contribute its 20% share of cost after completion of the DFS, then PGM will be diluted using an industry standard formula. Once PGM's participating interest has diluted to 5%, its interest will automatically convert to a 1.75% gross royalty (Ex Mine Gate).

Conclusion and Next Steps

The Scoping Study demonstrates the Goschen Central heavy mineral sand has attractive economic potential, both as a standalone HMC project, as well as vertically integrated with the rare earth element processing project. Given the positive permitting and project developments amongst peer projects in Victoria, the Board of ACDC Metals intends to project de-risk as well as explore commercial initiatives to advance the project and realise value for shareholders.

As outlined in the 2024 mineral resource update, the high-grade areas remain open to the north, east and south, further exploration programs will be planned to include in resource.

Further resource definition drilling will be conducted in zones of interest to increase geological confidence and enable extension of the mine plan.

Funding

ACDC Metals completed an extensive metallurgical testwork program in 2024 on a 1.6 tonne bulk sample, where the full product suite was produced from the phase 1 flowsheet. This then enabled product quality testing to be conducted an engagement with a range of potential HMC and REMC customers. All initial responses have been positive, and validated the product characteristics and potential for offtake and project investment to secure supply. ACDC Metals initial assessments for product offtake and availability of third-party funding indicated strong interest.

For the REPP Phase 2 project ACDC Metals has received strong support from the South Australian department for Energy and Mining along with South Australian department for Trade and Investment. Various western export credit agencies and development banks have provided positive inquiries for the potential of funding.

ACDC Metals expects these strategies to develop further based on the publication of the Scoping Study. Through further studies the Goschen Central project will continue to be derisked, and an increase in geological confidence and capital requirements will enable a more mature engagement for further funding options.

ACDC Metals believes there will be available funding due to several key factors:

- Robust technical and economic fundamentals, and optionality of vertical integration of downstream processing.
- Positive permitting and development jurisdiction, with the recent release of the Victorian critical minerals roadmap the Goschen Central project has been identified as a key project. Along with recent positive environmental effect statements outcomes and the granting of mining licences to peer projects, all demonstrate a strong mining jurisdiction.
- Favorable Market condition for Mineral sands and Rare earth financing: Recent examples of peer projects receiving offtake agreements and significant funding, Astron Corporation Limited (ASX:ATR) and VHM Limited (ASX:VHM).
- Potential access to public funding via grant schemes in Western jurisdictions.
- ACDC Metals has a strong corporate and capital structure with no debt.

- The Goschen Central project is well positioned to progress to the next phase of studies with an extensive metallurgical program completed, and significant resource updates completed.

The successful completion of the Scoping Study has revealed the significant potential of the Goschen Central Project, having positive economics and strong potential to become a long-life producing mine. ACDC Metals believes it could secure funding solution through one or a combination of sources, including:

- Debt finance.
- Strategic partner investment with offtake agreements, joint venture or partial asset sale type arrangements.
- Equity Financing

There is, however, at a scoping study level, no certainty that ACDC Metals will be able to secure the funding solution as and when required.

Nomenclature

REE	Rare Earth Element
MREO	Mixed Rare Earth Oxide
ACDC	ACDC Metals Ltd
REMC	Rare Earth Mineral Concentrate
HM	Heavy Mineral
THM	Total Heavy Mineral
LOM	Life of Mine
NPV	Net Present Value
IRR	Internal Rate of Return
EBITDA	Earnings before interest, tax, depreciation and amortisation
MMC	Monazite mineral concentrate
XMC	Xenotime mineral concentrate
REPP	Rare earth Processing Plant
CRAE	CRA Exploration Pty Ltd
Probo	Probo Mining Ltd
ROM	Run of Mine
MUP	Mining Unit Plant
WCP	Wet Concentrator Plant
REP	Rare earth Plant
Nd	Neodymium
Pr	Praseodymium
Dy	Dyprosium
Tb	Terbium
Adamas	Adamas Intelligence Ltd
WIM	Wimera Style deposits

Announcement has been authorised for release by the Board.

About ACDC Metals

ACDC Metals is a heavy mineral sand and rare earth element explorer and developer focussed on projects in the Murray Basin of western Victoria, Australia. ACDC Metals is also developing its licenced downstream processing technology for its Rare Earth Processing plant (REPP) Project. The process extracts rare earth elements from monazite. Goschen Central is the ACDC Metals' flagship project.

We refer shareholders and interested parties to the website www.acdcmetals.com.au where they can access the most recent corporate presentation, video interviews and other information.

For Further Information:

Tom Davidson
Chief Executive Officer
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Competent Persons Statement

Mineral Resources

There is information in this report relating to Mineral Resources, Metallurgical testwork and marketing as previously announced:

1. The Mineral Resource Estimate for the Goschen Central Project, ASX Announcement 3 December 2024.
2. Metallurgical testwork and Marketing program, ASX Announcement 17 February 2025.

Other than as disclosed in those announcements, the company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Scoping Study

The information related to the Scoping Study reported here has been compiled from source reports as completed by independent consultants and other information and has been reviewed by Mark Saxon who is a Member of the Australian Institute of Mining and Metallurgy. Mr Saxon has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being 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 Saxon is the ACDC Metals executive director.