EMA PROJECT DEVELOPMENT AND COMMERCIAL PROGRESS

Brazilian Critical Minerals Limited (ASX: BCM) ("BCM" or the "Company") is pleased to provide activities update as it works through multiple work fronts to advance the Company's Ema Rare Earth Project ("Ema") near Apuí, Amazonas, Brazil.

To view the video of MD, Andrew Reid, discussing this announcement, click on the link below

https://braziliancriticalminerals.com/link/rLOOje

Key Sector Update

From 1 January 2027, US defence procurement will expand restrictions on neodymium-iron-boron and samarium-cobalt magnets to cover upstream mining, refining and separation undertaken in China and other designated countries. These requirements reinforce the importance of traceable, compliant rare earth supply chains and strengthen the strategic relevance of Ema as a potential Brazilian source of feedstock for customers developing supply chains outside China.

We're also seeing the industry take shape around us. With Viridis securing a major European offtake partner and Lynas proposing to acquire Meteoric, more future rare earth supply is becoming aligned with established supply chains. We believe that increases the strategic relevance of BCM and creates an opportunity to position Ema with western customers seeking an independent, long-term source of magnet rare earths.

Ema Project Business Update

BCM has had for some-time a clear plan that continues to progress across permitting, offtake, financing, engineering and magnesium sulphate supply. The execution of this plan included management's recent travel to Brazil, Canada and the United States, which formed part of the broader effort to secure the commercial relationships required to support development and bring the Ema Project into production.

North American engagement

The recent visits to Canada and the United States formed part of BCM's engagement with the North American market. The Company's commercial focus remains on securing suitable customers and funding partners for Ema, supported by a clear understanding of the proposed product, development requirements and delivery schedule.

North America has emerged as the most fundamentally important Rare Earth jurisdiction because of its demand from strategic industries, supply security concerns, downstream processing opportunities and its commercial influence.

The priority is to translate commercial interest into agreements that support project funding and deliver appropriate value to BCM shareholders.

In Canada, the Adamas Rare Earth Mines, Magnets and Motors conference highlighted the following key themes:

- Supply chains outside of China remain a strategic priority;
- Competitive operating costs and sustainable rare earth element ("REE") pricing is essential going forward;
- Bottlenecks and lack of supply extend across the supply chain and all need further investment;
- Dysprosium ("Dy") and Terbium ("Tb") supply matters as there is little product readily available outside China; and
- Chinese and non-Chinese markets are becoming increasingly differentiated.

Strong Ex-China Rare Earth Prices Reinforce the Case for New Supply

Rare earth pricing outside China has diverged sharply over recent months, with heavy rare earths recording substantial gains as buyers compete for limited available supply. Prices for Dysprosium and Terbium have risen by between 20% and 150% in recent months with Dy fetching between US$3,000 - $4,000/kg and Tb US$8,000 - $9,000/kg during November.

Yttrium and Samarium prices have risen >200 times the Chinese price during 2026, resulting in ex-China market prices of US$1,000 - $2,000/kg. **(Rare Earth Prices Nov 26)**

The Ema Rare Earth Basket is considered elevated in Samarium, Dysprosium, Terbium and Yttrium and is well positioned to supply the valuable heavy rare earth elements required in the North American and European markets.

MREC BASKET PRICE	BFS JUNE 2026[1]
Oxide	**%**
Lanthanum	**29.52**
Cerium	**16.47**
Neodymium/Praseodymium	**32.61**
Samarium	**3.99**
Europium	**0.45**
Gadolinium	**2.56**
Terbium	**0.29**
Dysprosium	**1.65**
Holmium	**0.28**
Erbium	**0.84**
Thulium	**0.10**
Ytterbium	**0.63**
Lutetium	**0.06**
Yttrium	**10.55**

Figure 1. Ema Rare Earth Elemental Composition (100% basis)

[1] *Refer to ASX release dated 30 June 2026.*

Brazilian elections

Following Brazil's recent federal and state elections, BCM has continued to engage with the relevant authorities to advance the Ema Project's remaining approvals. President Lula's re-election provides continuity at the federal level following the introduction of Brazil's National Policy on Critical and Strategic Minerals in September 2026. The policy's focus on domestic mineral production, processing and industrial development provides a supportive strategic context for Ema's proposed development.

With Omar Aziz elected Governor of Amazonas, BCM seeks to build on its existing government engagement and continue dialogue on Ema's development plans, proposed local employment and contribution to Brazil's rare earth supply chain. The Company remains focused on progressing the outstanding regulatory requirements.

BCM has deployed significant local resources to aid in completing the environmental approval process.

Permitting and land access

BCM has achieved important milestones in progressing the Ema Project's land-access and permitting pathway. As announced on 15 October 2026, INCRA Amazonas formally approved the land-access agreement covering proposed activities on INCRA-controlled land and issued a separate certificate confirming no impediment to environmental licensing continuing. Final ratification of the agreement by INCRA in Brasília remains outstanding.

The Final Exploration Reports for both Ema tenements have been approved by Brazil's National Mining Agency ("ANM"), supporting progression through the mining approval process. Development environmental licensing with the Amazonas Environmental Protection Institute ("IPAAM") and the two trial mining licence applications, known as Guias de Utilização ("GUs"), remain pending.

The Company's immediate permitting priorities are to progress and secure the outstanding IPAAM and ANM approvals. These processes are being advanced alongside engineering and development planning which will allow BCM to get on the ground to initiate development activities.

Offtake and funding

Discussions continue with selected prospective offtakers evaluating Ema's product specifications, development schedule and potential supply arrangements. Project funding discussions are progressing in parallel, with several interested parties from Brazil and North America currently engaged in detailed conversations.

As disclosed in BCM's latest quarterly report, no offtake agreements have been executed. The immediate objective remains to secure commercially sustainable arrangements that support construction funding and preserve long-term shareholder value.

EMA FEED design

Altris Engineering is leading Ema's Front-End Engineering and Design ("FEED") program, providing continuity from the feasibility study. The program of work is accelerating, with BCM in the process of selecting a local Brazilian engineering partner who will refine the processing plant and infrastructure design, confirm equipment selections, allow for firm vendor quotations and update the capital estimate and schedule to Brazilian standards, ready for execution.

This work is intended to establish a stronger basis for detailed engineering, procurement and construction planning.

Magnesium sulphate plant

Following the strategic agreement **(ASX:BCM Oct 2026)** to acquire a 90% interest in a Brazilian Magnesium sulphate producer, the team have been working towards completion of the acquisition. Several engineering assessment has been completed, including development of the process design criteria which is the specific, measurable performance requirements, constraints, and operating guidelines that a process or manufacturing system must meet as well as a mass balance to define the process flowsheet.

An initial process design has now been completed, with detailed design to be completed by a Brazilian Engineering Company commencing shortly to allow for a capital cost estimate, at which point BCM will determine the nameplate capacity of the plant, complete the acquisition, and commence construction activities.

Personnel

BCM recently secured the services of Shahriar Masud as dedicated Project Manager to oversee construction activities for the Ema Project and the magnesium sulphate plant. Mr Masud is a process engineer with 20 years' experience in construction and commissioning, including leading project delivery for Atlas Lithium and Sigma Lithium in Brazil. His international experience also includes commissioning activities across Africa, Mongolia and Kazakhstan.

BCM has also secured the services of a Chief Metallurgist with more than 20 years' experience, gained entirely within the rare earth sector. These appointments strengthen the Company's technical and project delivery capabilities as it advances Ema and its integrated reagent supply strategy.

This announcement has been authorised for release by the Board of Brazilian Critical Minerals Limited.

For more information:

Andrew Reid
Managing Director
Brazilian Critical Minerals Ltd
E: andrew.reid@braziliancriticalminerals.com

About Brazilian Critical Minerals Ltd

The Ema Rare Earth Project is an ionic adsorption clay rare earth project located near Apuí in Amazonas State, Brazil.

The Project is being developed using In-Situ Recovery ("ISR"), with magnesium sulphate solution used to recover rare earth elements from the mineralised clay profile. The recovered rare earths are subsequently processed to produce a Mixed Rare Earth Carbonate suitable for export and downstream refining.

The FEED stage represents the next engineering step in BCM's strategy to progressively de-risk the Ema Project and advance it towards development.

