



ASX: RAU
TSXV: RSM

TSXV Release

ASX Release

26 September 2024

27 September 2024

Altilium Sighter Test-work results for Tiros Project, Minas Gerais, Brazil

[Resouro Strategic Metals Inc.](#) (ASX: RAU; [TSX-V: RSM](#); [FSE:8TX](#); [OTC:RSGOF](#)) ("Resouro" or the "Company") is pleased to provide details on the sighter test-work completed by Altilium Projects (Australia) Pty Ltd ("Altilium"), on samples from the Tiros Titanium and Rare Earth Elements ("REE") Project in Brazil ("Tiros Project" or "Tiros" or "Project").

Highlights

- Sighter test-work performed by Altilium demonstrated that over 96% of Magnet Rare Earth Oxides ("MREO") can be extracted from the ore, this result represents the world's highest REE extractions on non-selective ore intervals.
- The next phase of the Altilium test-work has commenced and will focus on the optimization of leaching parameters and downstream elements.
- Altilium's technology delivers an environmentally friendly leaching process which does not produce any waste products.
- Offtake enquiries received and initial discussions commenced.

Highlights

Second Phase of Altilium test-work commenced

On 13th August 2024 (TSXV 12th August 2024), Resouro announced the results of the sighter test-work completed by Altilium. The aim of this test-work was to achieve maximum extraction of REE and titanium minerals by applying Altilium's patented technology. This process includes acid regeneration with minimal acid loss as well as zero waste, with the aim of producing the world's lowest environmental footprint titanium dioxide ("TiO₂") and Rare Earth Oxides ("REO") from pit to product.



Sighter test-work establishes whether metals can be extracted easily or not from the ore and is a critical upfront benchmark to prove the concept. Extensive additional test-work is required to determine a final process flow sheet and optimise the leaching conditions, such as acid concentration. As previously announced, the sighter test-work demonstrated that the Altilium Ti/REE Process™ can extract over 96% of the MREO from representative samples taken from the Tiros full ore horizon homogenous material, corresponding to the world’s highest REE extractions on non-selective ore intervals.

Two samples of ore were received at Core Resources Laboratory in Queensland. These samples were crushed to a nominal top-size of 3.35 mm. The crushed samples were then representatively split into sub-samples which were then combined to produce a representative composite. The composite samples were then ground to a nominal top-size of 600 µm before being rotary sample divided to produce five aliquots with masses of approximately 400 g. One sample was randomly selected for head characterisation while the remaining four were set aside for leach test work.

Three Sighter Tests were performed with the following variables

Variable	Unite	LT1	LT2	LT3
Pre-Leach heat treatment		No	No	600 C
Temperature	C	110	110	110
Pulp Density	Wt.% Solids	12	12	12
Acid Concentration	Wt.% HNO ₃	68%	78%	68%
NaNO₂ Dosing		Yes	Yes	Yes

The LT1 test involved leaching at the standard acid concentration used in the Altilium Ti/REE Process™.

LT1 / LT2 – Sighter Tests

Results from test LT1 showed low extraction of aluminium and intermediate extractions for iron and magnesium. High extractions of REE were achieved, typically around 70% with results for total rare earth elements plus yttrium (“**TREY**”) and light rare earth elements (“**LREE**”) being virtually equal likely due to the high contribution of LREE to the TREY in the feed material. In test LT2, using a higher acid concentration and acid/ore ratio, extraction surprisingly decreased across the board for impurities and REEs. The cause of this is not currently clear, although the test appeared to go according to plan.

For personal use only



Sighter Test LT3

The preferred sighter test, LT3, achieved the following results:

TEST	Total REE	Light REE	Magnet REE	Heavy REE
LT3	80.8%	81.6%	96.2%	74.8%

The LT3 test involved a pre-leach heating and leaching at the standard acid concentration (68% Wt.% Nitric Acid (“HNO₃”)) used in the Altilium Ti/REE Process™.

Test LT3 showed high extractions for aluminium and REEs. This test involved heating feed material to 600°C to convert kaolin to metakaolin, increasing its leachability and facilitating the release of aluminium and rare earths. The results indicate that the conversion was successful allowing significant improvements to the extraction of the target metals. Of significant note is that the extraction of Magnet REE appears to increase substantially more than the Light REE and Heavy REE. This demonstrates that pre-heating of the material increases the extraction of REEs. The temperature of this sighter test was high (600°C) to prove the concept. The actual temperatures and conditions for pre-heating will be optimised in the next phase of test-work.

These results were obtained under closed-circuit temperate conditions designed to minimize losses on the target metals and on the hydroelectricity network associated with the project. Therefore optimizing extraction rates and minimizing energy costs to enhance overall sustainability of the project.

Altilium – Key Next Steps

Resouro has now commissioned Altilium to commence the next phase of test-work, consisting of optimization of leaching parameters and downstream elements. This work is a scaled-up version of the sighter test, adjusting each condition until the optimal parameters are achieved over the Tiros Project’s 1.7 bn tonne resource. For a full break down of the Company’s maiden JORC resource, refer ASX announcement of 18th July 2024 – TSX Announcement of 17th July 2024.

Altilium have also commenced leach test-work on a 45 kg sample remaining at the Core Laboratory. The objective of this program is to generate residue from the leaching process to then produce TiO₂ concentrate that can be sent to potential off-takers for the Titanium product.

Phase two of the Altilium test-work involves shipping a 200 kg Representative Composite Sample, that has been prepared and is awaiting shipment. This sample will undergo a full range of tests to optimise each component of the Altilium Ti/REE Process™. The entire test-work program is scheduled to take 30 weeks with periodic updates as test-work progresses.

For personal use only



Results from this next phase will allow Resouro to update its financial model for inclusion in the Preliminary Economic Assessment (“PEA”).

This phase of the test-work will include the processing of saleable REE and TiO₂ products to be used with potential off-takers with whom Resouro is in preliminary discussion, whilst exploring the markets for other potential saleable elements in the orebody.

Key benefits of the Altilium Ti/REE Process™ include:

- Zero waste, sustainable, environmentally friendly closed-circuit leach process.
- World’s leading consistent representative rare earths leach extractions.
- Nitric acid produces the world’s first TiO₂ product with low niobium, phosphate and zirconium.
- No tailings dam required.
- Minimal acid consumption with the Altilium patented technology recovering and reusing nearly 100% of the nitric acid employed.
- A technology disruptor for the rare earth and TiO₂ industry.
- Potentially, a fully automated process with minimal fluctuation in material production rates, recoveries and consumables providing reduced risk from operating perspectives.

Metallurgical Test-Work at CIT Senai

CIT Senai in Brazil is working through the test-work program and is nearing completion of the first phase of the ore characterisation studies. These studies assess the density, sizing and chemical characteristics of the orebody to allow the project team to leverage this knowledge and produce a likely flowsheet. Concurrently, CIT Senai are working on the next leaching tests using sulphuric and hydrochloric acids and a range of other reagents. Following the receipt of further results currently in the laboratory under various conditions (concentration, residency times, temperatures and pH), Resouro will continue to progress its dual-pronged metallurgical testing framework and update the market accordingly.

Initial discussions with off-take partners

Subsequent to the announcement of Resouro’s 1.7 billion tonne high grade REE and TiO₂ JORC resource, numerous unsolicited enquires from large industrial companies in Asia, Europe and North America have been received. The first stage of the Altilium test-work is to produce trial samples of TiO₂ concentrate from a 45 kg sample already at the Core Laboratory in Brisbane and to send these to potential off-takers. An additional 200 kg representative composite sample has been sent to the Core Laboratory to commence test-work on rare earth leaching and TiO₂ concentration.

For personal use only



President, CEO, Director and Founder, Chris Eager commented:

“The initial sighter test-work results completed at the Core Laboratories in Queensland provide a proof of concept and indicate that Resouro can achieve high Rare Earths Extraction from Tiros Ore. The Altilium Ti/REE Process™ has many advantages over conventional leaching and has the potential to produce a clean TiO₂ product. This gives us confidence to take the next step of detailed test-work with Altilium.

Resouro is also continuing to explore conventional leaching, a range of other reagents and leaching protocols.

We are focussed on finding the optimal leaching method that will provide the most environmentally friendly process with high Rare Earths and TiO₂ recoveries at the lowest cost.”

This announcement has been authorized for release by the Board of Directors.

Contact Information:

Chris Eager, CEO

Justin Clyne, Director

Melissa Hamilton, Media

chris.eager@resouro.com

justin.clyne@resouro.com

melissa.hamilton@mcpartners.com.au

+44 7388 0579809

+61 407 123 143

+61 417 750 274

For personal use only



About the Company

Resouro is a Canadian incorporated mineral exploration and development company, listed on the ASX, TSXV, OTC and FSE, focused on the discovery and advancement of economic mineral projects in Brazil, including the Tiros Rare Earths and Titanium project in Minas Gerais and the Novo Mundo Gold Project in Mato Grosso. The Tiros project represents 25 mineral concessions totalling 450 km² located in the state of Minas Gerais, one of the most infrastructurally developed states of Brazil, 350 km from Belo Horizonte, the state capital. Resouro has released a Mineral Resource Estimate for the Tiros Project of 1.7 bn tonnes of Inferred, Indicated and Measured Resource.

DOMAIN	CAT	TONNES (t)	TiO ₂ (%)	TREO (ppm)	MREO (ppm)
HG (High Grade)	Inferred	42,000,000	23	8,700	2,200
	Indicated	55,700,000	23	9,030	2,380
	Measured	20,800,000	24	9,320	2,530
	Sum	120,000,000	23	9,000	2,400
MG (Medium Grade)	Inferred	620,000,000	11	3,500	950
	Indicated	704,000,000	11	3,650	1,020
	Measured	224,000,000	11	3,570	997
	Sum	1,500,000,000	11	3,500	930
	Totals	1,700,000,000	12	3,900	1,100

Note: Further details of the Company's Maiden JORC MRE are contained within the Company's announcement of 18 July, 2024.

Forward-Looking Information

This news release contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Although we believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information.

For personal use only



Forward-looking information is based on the opinions and estimates of management at the date the statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking information. Some of the risks and other factors that could cause the results to differ materially from those expressed in the forward-looking information include, but are not limited to: general economic conditions in Canada and globally; industry conditions, including governmental regulation and environmental regulation; failure to obtain industry partner and other third party consents and approvals, if and when required; the need to obtain required approvals from regulatory authorities; stock market volatility; liabilities inherent in the mining industry; competition for, among other things, skilled personnel and supplies; incorrect assessments of the value of acquisitions; geological, technical, processing and transportation problems; changes in tax laws and incentive programs; failure to realize the anticipated benefits of acquisitions and dispositions; and the other factors. Readers are cautioned that this list of risk factors should not be construed as exhaustive.

The forward-looking information contained in this news release is expressly qualified by this cautionary statement. We undertake no duty to update any of the forward-looking information to conform such information to actual results or to changes in our expectations except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Competent Person Statement

The information in this announcement that relates to the Metallurgical Results is based on, and fairly represents, information compiled by Mr Sravan Maddipati a Competent Person and registered professional Metallurgist (MAUSIMM #323008) with experience in metallurgy, metallurgical studies and operations and experience in rare earth element extraction. Mr Maddipati is an employee of Altilium and 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 him as a Competent Persons as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.