PEA for Resouro's Tiros Project outlines strong economics with after-tax NPV(8%) of US$714.9 M and IRR of 44.2%

written by Raj Shah | June 15, 2026

Initial operation to target mining and processing of 500,000 tonnes per year over 20 years

June 15, 2026 (Source) – Resouro Strategic Metals Inc. (ASX: RAU; TSX-V: RSM; OTCQB: RSGOF) (Resouro or the Company) has delivered on a major milestone: it has completed a Preliminary Economic Assessment (PEA) for a starter operation at its flagship Tiros Rare Earths and Titanium Project (Tiros) in Minas Gerais, Brazil.

The PEA was prepared by a team led by Norda Stelo according to National Instrument 43-101 Standards of Disclosure for Mineral Projects (NI 43-101). All financial figures are expressed in U.S. dollars unless otherwise stated.

"The project's robust economics are based on high levels of total rare earth oxides (TREO) and titanium oxide (TiO2) grades," said Christopher Eager, Resouro's CEO. "We believe that starting with a small high-grade operation will minimize the social and environmental impacts, reduce the time to production, and significantly de-risk the Project. Our goal with this staged approach is to support future financing and provide a pathway for larger scale development."

The PEA is preliminary in nature. It includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves, and there is no certainty that the PEA will be realized. It is not a feasibility study. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

Key highlights of the PEA include:

- The PEA indicates an after-tax net present value (NPV) of US$714.9 million using an 8% nominal discount rate and an after-tax internal rate of return (IRR) of 44.2%
- The proposed operation contemplates annual processing throughput of 500,000 tonnes per annum (tpa) over an initial mine life of 20 years for a total run of mine (ROM) feed of 9.5Mt of high grade at 26.3% TiO2, 10,832 ppm total rare earth oxides (TREO), and 2.7 strip ratio
- Operation targets a high-grade area of mineralization that makes up less than 1% of the Company's previously announced 1.4 billion tonne Measured and Indicated Resource
- Significant expansion potential supported by a very large titanium and rare earth mineral resource
- Simple open-pit mining with free digging near-surface mineralisation
- Proposed processing flowsheet incorporates grinding and sizing beneficiation, calcination, magnetic separation/electrostatic separation and gravity separation, acid leach, sulphation/water leach, hydrolyzation, precipitation, and solid liquid separation
- The overall recovery of titanium dioxide is 68.7% (recovered to two products: coarse TiO2 and fine TiO2) and the recovery of the rare earth elements to a mixed rare

earth carbonate (MREC) product is 67%
- Dual-revenue model based on titanium dioxide and rare earth product streams
- Environmentally conscious design, assuming dry-stack tailings
- Favourable jurisdiction: Minas Gerais, Brazil with established infrastructure

Investor Webinar

Resouro will host an investor webinar on June 16, 2026, to discuss the results of the PEA, provide an overview of the Tiros Project, and outline the Company's proposed next steps.

Date: Tuesday, June 16, 2026
Time: 8 a.m. ET / 1:00 p.m. BST / 10 p.m. AEST
Registration:
https://6ix.com/event/resouro-tiros-project-pea-webinar

A replay will be made available on the Company's website following the event.

Cautionary Statement JORC CODE 2012

The PEA referred to in this release is equivalent to a Scoping Study under JORC Code (2012) reporting guidelines. It has been undertaken for the purpose of initial evaluation of a potential development of the Tiros Project in Minas Gerais, Brazil. The PEA is presented in U.S. dollars to an accuracy level of +/- 50%.

The PEA is preliminary in nature. There is no certainty of economic viability or that the Tiros Project envisioned by the PEA will be realized. Future studies (Prefeasibility Studies and Feasibility Studies) may yield material changes.

The PEA is based on the material assumptions highlighted throughout this announcement. Anyone or more of these material assumptions may not prove correct, with the result that the actual outcomes for the Tiros Project may differ materially from those described in this announcement.

These include assumptions about the availability of funding. To achieve the potential project development outcomes indicated in the PEA, CAPEX of approximately US$159M and US$32M of contingency is needed (Resouro presently has a market capitalization of approximately US$23.5 million). Investors should note that there is no certainty that the Company will be able to raise funding when needed, however the Company has concluded it has a reasonable basis for providing the forward-looking statements included in this announcement and believes that it will be able to fund the development of the Tiros Project. It is also possible that such funding may only be available on terms that may be dilutive to or otherwise affect the value of the Company's existing shares. It is also possible that the Company could pursue other strategies to provide alternative funding options. Given the uncertainties involved, investors should not make any investment decisions based solely on the results of the PEA.

The Mineral Resources underpinning the production target in the PEA have been prepared by a competent person in accordance with the requirements of the JORC 2012. For full details on the Mineral Resource estimate, please refer to the ASX announcement of 9 April 2025. The Company confirms that it is not aware of any new information or data that materially affects the information included in that release and that all material assumptions and technical parameters underpinning the estimates referred to therein continue to apply and have not materially changed. Mine planning assumptions at the PEA level are conceptual and will be refined in subsequent studies.

PEA Overview

The PEA evaluates the development of a 500,000 tpa processing operation targeting mineralisation within the previously announced 1.4 billion tonnes Measured and Indicated Resource in the Capacete Formation in Northern Minas Gerais State, Brazil.

The PEA is based on the TREO-TiO2 resource base and incorporates a flowsheet integrating beneficiation, calcination, magnetic and electrostatic separation, acid leaching, and rare earth recovery, producing both titanium dioxide concentrates and rare earth products.

Resouro’s PEA scenario starts with a high-grade initial operation based on a staged development approach that has been designed to reduce upfront capital requirements, reduce development and execution risk, shorten the pathway toward production, generate operational cash flow to support future growth, and preserve significant resource optionality for future expansion.

Table 1: Summary of Tiros Project Metrics

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General	unit	Life of Mine (LOM) total/average
TREO price assumption	US$ / kg	57.4
Rare earth elements (REE) run of mine grade	ppm	10,852
Steady state REE in product	tonnes	3,636
Titanium dioxide (TiO_2) price assumption – coarse circuit	US$ / tonne	900.0
TiO_2 run of mine grade	%	26.2
Steady state contained TiO_2 in concentrate – coarse circuit	thousand tonnes per annum (ktpa)	42.3
TiO_2 price assumption – fine circuit	US$ / tonne	650.0
Steady state contained TiO_2 in concentrate – fine circuit	ktpa	47.8
Mine life	years	20
Processing rate per year	tpa	500,000
ROM Feed over Life of Mine (LOM)	Mt	9.5
Waste	Mt	20
Strip Ratio		2.7:1
Economics (pre-tax)		
Net present value (8% discount rate)	US$ Million (M)	1,138.8
Internal rate of return	%	62.7
Payback	years	1.3
Life of Mine (LOM) average annual cash flow	US$ M	115.2
LOM cumulative cash flow	US$ M	2,535.8
Economics (after-tax)		
Net present value (8% discount rate)	US$ M	714.9
Internal rate of return	%	44.2
Payback	years	1.9
LOM average annual cash flow	US$ M	70.0
LOM cumulative cash flow	US$ M	1,673.9
Costs		
Initial capital – net[1]	US$ M	159.6
Initial capital – gross	US$ M	191.1
Sustaining capital – post tax	US$ M	59.6
Average annual operating costs	US$ M	109.5
Average cost per tonne for run of mine	US$ M	219.0

Notes:
1 CAPEX completed to PEA – Class-5 standards and includes US$32 million in Contingency. Tax payable on up-front capital may be partially redeemed over the life of the operation.

Mineral Resource Summary

Effective April 9, 2025

The Tiros Project hosts a large-scale titanium dioxide and rare

earth resource within the Capacete Formation, comprising:

- **Measured and Indicated:** 1.4 billion tonnes grading 12% TiO2, 4,000 ppm TREO, and 1,100 ppm MREO
- **Inferred:** 500 million tonnes grading 12% TiO2, 3,700 ppm TREO, and 1,000 ppm MREO
- **High-grade domain:** 103 million tonnes grading 23% TiO2, 9,100 ppm TREO, and 2,400 ppm MREO.

The current NI 43-101 Technical Report for the Tiros Rare Earth Elements (REE) Project, Minas Gerais, Brazil, was prepared for Resouro by Atticus Geoscience Consulting, has an effective date of 9 April 2025, and an issuing date of 23 May 2025.

The Company is not aware of any new information or data that materially affects the information included in that announcement and that all material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed. The report was prepared according to NI 43-101 and Form 43-101 F1 and was signed by Qualified Persons Simon Mortimer (M.Sc., MAusIMM, FAIG) and Luis Oviedo (P.Geo., QP CCCRRM #013).

Mine Plan and Development Strategy

The grade of the Measured and Indicated Resource at Tiros supports a phased development approach, with a dual-revenue model based on titanium dioxide and rare earth product streams. The operation targets a 9.5 Mt high grade area of mineralization that grades 26.3% TiO2 and 10,852 ppm TREO, which accounts for less than 1% of the Company’s 1.4 billion tonne Measured and Indicated Resource.

It is designed to be 500,000 tonne per annum initial operation over 20 years with potential for future expansion once the

initial operation is advanced and technical, commercial, and permitting milestones are achieved. It will be a simple open-pit mine with free digging near-surface mineralisation and an environmentally conscious design that assumes dry-stack tailings.

The mine plan used for this PEA is conceptual and is based on a simplified, flat mining sequence. Mine scheduling and sequencing are expected to be refined in subsequent studies.

Processing Route / Flowsheet

The PEA assumes a proposed processing route comprising:

- Beneficiation, including crushing, grinding, screening size classification, magnetic separation, and gravity density separation
- Calcination at approximately 600°C to enhance magnetic removal of iron minerals
- Magnetic / electrostatic coarse separation, acid leaching and solid/liquid separation for recovery of coarse TiO2 concentrate
- Magnetic separation, acid sulphation/water leach, filtration, hydrolyzation, filtration for recovery of fine TiO2 product
- Acid sulphation, water leach, precipitation, and filtration for rare earth recovery: TREO is recovered from the leach liquor as a REE precipitate product (mixed rare earth carbonate).

Final products are expected to include:

- Coarse TiO_2 anatase concentrate (calculated grade 84.7% TiO_2, -300 / +75 micron, from METSIM® model)

- Fine TiO_2 product concentrate (calculated grade 57.9% TiO_2, -20 micron, from METSIM® model)
- REE concentrate as a Mixed Rare Earth Carbonate (MREC)

Please see Appendix B for process flowsheet diagram.

PEA Economics

The economic analysis is based on a dual-revenue model from rare earth and titanium dioxide product streams. Revenue assumptions are based on long-term TREO basket pricing and titanium dioxide concentrate pricing with the TREO basket reflecting the distribution of rare earth elements within the Tiros deposit.

The PEA estimates initial capital of approximately US$191 million, sustaining capital of approximately US$59 million, and average annual operating costs of approximately US$109 million, equivalent to approximately US$219 per tonne of run of mine (ROM) material processed. Estimates are based on an assumed exchange rate of USD 1.00 = BRL 5.00.

These estimates are preliminary and will be refined through future engineering, metallurgical test work, permitting work, and PFS level studies.

Capital and Operating Cost Summary

The PEA is based on a Class 5 level capital and operating cost estimate appropriate for a preliminary economic assessment. The estimates remain preliminary and will be refined through additional engineering, metallurgical test work, permitting work, and future studies.

Operating costs are primarily driven by reagent consumption, energy, mining, stockpile management, personnel, and maintenance. The capital and operating cost estimates have been

prepared based on current PEA-level engineering, process assumptions, and supplier / consultant inputs. All costs have been reviewed by the relevant technical consultants and Qualified Persons / Competent Persons as part of the PEA process.

Further work during the next study phase is expected to focus on optimising the flowsheet, improving beneficiation, increasing acid recycling and reducing operating costs.

Sensitivity Analysis Table

	Variation								
	-40%	-30%	-20%	-10%	0%	10%	20%	30%	40%
TREO Basket Price FOB Santos (US$/kg)	34.5	40.2	46.0	51.7	57.4	63.2	68.9	74.7	80.4
Post-tax NPV$_8$ (M, US$)	283.2	390.6	498.7	606.8	714.9	823.0	931.1	1039.2	1147.3
Post-tax IRR (%)	23.2	28.4	33.7	38.9	44.2	49.4	54.6	59.9	65.1
Pre-tax NPV$_8$ (M, US$)	491.0	652.4	814.5	976.6	1,138.8	1,300.9	14,63.0	1,625.2	1,787.3
Pre-tax IRR (%)	32.9	40.3	47.8	55.3	62.7	70.1	77.5	84.9	92.2
TiO_2 prices									
Fine (US$/t)	390	455	520	585	650	715	780	845	910
Coarse (US$/t)	540	630	720	810	900	990	1080	1170	1260
Post-tax NPV$_8$ (M, US$)	544.3	587.0	629.6	672.3	714.9	757.5	800.2	842.8	885.4
Post-tax IRR (%)	35.9	38.0	40.0%	42.1%	44.2%	46.2%	48.3%	50.4%	52.4%
Pre-tax NPV$_8$ (M, US$)	883.0	946.9	1010.9	1,074.8	1,138.8	1,202.7	1,266.7	1,330.6	1,394.6
Pre-tax IRR (%)	51.0	53.9%	56.8%	59.8%	62.7%	65.6%	68.5%	71.4%	74.4%
TiO_2 weight recoveries									
Fine	5.74	6.70	7.66	8.62	9.57	10.53	11.49	12.44	13.40
Coarse	5.09	5.93	6.78	7.63	8.48	9.33	10.17	11.02	11.87
Post-tax NPV$_8$ (M, US$)	557.4	596.8	636.1	675.5	714.9	754.3	793.6	833.0	872.4
Post-tax IRR (%)	36.6	38.5	40.4	42.3	44.2	46.1	47.9	49.8	51.7
Pre-tax NPV$_8$ (M, US$)	902.4	961.5	1,020.6	1,079.7	1,138.8	1,197.9	1,257.0	1,316.1	1,375.2
Pre-tax IRR (%)	51.9	54.6	57.3	60.0	62.7	65.4	68.0	70.7	73.4
REE weight recovery (%)	0.44	0.51	0.58	0.65	0.73	0.80	0.87	0.95	1.02
Post-tax NPV$_8$ (M, US$)	284.6	391.7	499.4	607.1	714.9	822.6	930.4	1,038.1	1,145.9
Post-tax IRR (%)	23.2	28.5	33.7	38.9	44.2	49.4	54.6	59.8	65.1
Pre-tax NPV$_8$ (M, US$)	493.1	654.0	815.6	977.2	1,138.8	1,300.4	1,462.0	1,623.6	1,785.2
Pre-tax IRR (%)	33.0%	40.4	47.9	55.3	62.7	70.1	77.4	84.8	92.1
CAPEX	114.7	133.8	152.9	172.1	191.2	210.3	229.4	248.5	267.6
Post-tax NPV$_8$ (M, US$)	791.4	772.2	753.1	734.0	714.9	695.8	676.7	657.5	638.4
Post-tax IRR (%)	70.3	61.1	54.1	48.6	44.2	40.5	37.3	34.6	32.3
Pre-tax NPV$_8$ (M, US$)	1,215.2	1,196.1	1,177.0	1,157.9	1,138.8	1,119.7	1,100.5	1,081.4	1,062.3
Pre-tax IRR (%)	99.1	86.4	76.6	68.9	62.7	57.5	53.2	49.4	46.2
OPEX	111.8	130.4	149.0	167.7	186.3	204.9	223.5	242.2	260.8
Post-tax NPV$_8$ (M, US$)	958.6	897.6	836.7	775.8	714.9	654.0	593.1	532.1	471.2
Post-tax IRR (%)	57.3	54.0	50.7	47.4	44.2	41.0	37.8	34.7	31.6
Pre-tax NPV$_8$ (M, US$)	1,500.7	1,410.2	1,319.7	1,229.3	1,138.8	1,048.3	957.8	867.3	776.8
Pre-tax IRR (%)	81.0	76.4	71.8	67.2	62.7	58.2	53.7	49.3	44.9

Environmental Impact Assessment and Permitting

The Tiros Project environmental and permitting pathway is a critical path item for project development, financing, construction, and operations. Based on current assessments, the Project is expected to be licensed in Minas Gerais through the state environmental system, rather than federally, because the Project is located entirely within Minas Gerais.

The current regulatory assessment classifies Tiros as a large

mining project with medium potential environmental impact requiring a full three-phase environmental licensing process: Preliminary License (LP), Installation License (LI), and Operating License (LO).

The primary environmental study requirement is expected to be a full Environmental Impact Assessment (EIA) and Environmental Impact Report (RIMA), supported by baseline studies, public consultation, fauna licensing, archaeological and cultural heritage work, water and vegetation authorizations as required, and technical review by the state environmental authorities.

Resouro has initiated a structured environmental permitting workplan for Tiros and has engaged Sete Soluções e Tecnologia Ambiental Ltda to support the licensing process and environmental study work program. Formal project-level approvals remain subject to completion and acceptance of the required environmental studies and the statutory licensing process.

Current community engagement is preliminary and ongoing, including communications with local communities, landholders, and municipal authorities in Tiros and São Gotardo. Formal project-level approvals remain subject to completion and acceptance of the required environmental studies and the statutory licensing process.

Next Steps

The PEA is an important milestone in advancing the Tiros Project toward development. Building on the outcomes of the study, the Company intends to progress a range of technical, engineering, permitting, and commercial activities to further de-risk the Tiros Project and support advancement toward the next stage of development.

Next steps include infill drilling in the defined starter pit

areas, additional sample generation, further metallurgical test work, flowsheet optimization, product specification work, continued environmental studies, and stakeholder engagement.

The Company also intends to assess staged expansion opportunities beyond the initial 500,000 tonne per annum initial operation, including future production scenarios in the range of 5 to 10 million tonnes per annum, subject to technical, economic, permitting, financing, and market outcomes.

A future PFS is expected to focus on flowsheet optimisation, beneficiation improvements, acid recycling opportunities, alternative process routes, product specification work, and staged scale-up scenarios.

Qualified Person and Competent Person Statements

This news release has been reviewed and approved by the relevant Qualified Persons under NI 43-101 and Competent Persons under the JORC Code, as applicable.

Competent Person (JORC)

The information in this announcement that relates to production targets, processing, capital and operating cost estimates, and forecast financial information derived therefrom is based on, and fairly represents, information compiled or reviewed by Mr Simon Mortimer (M.Sc., FAusIMM, MAIG), a Competent Person who is a Fellow of The Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr Mortimer is an independent consultant engaged by the Company through Atticus Geoscience Consulting 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 as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of

Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Mr Mortimer consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

The Mineral Resources underpinning the production target in the PEA have been prepared in accordance with the requirements of the JORC Code 2012. For full details on the Mineral Resource estimate, please refer to the ASX announcement of 9 April 2025. The Company confirms that it is not aware of any new information or data that materially affects the information included in that release and that all material assumptions and technical parameters underpinning the estimates referred to therein continue to apply and have not materially changed.

Qualified Persons

The scientific and technical information in this press release has been reviewed and approved by the Qualified Persons (QP) listed below, each of whom is independent of the Company as defined in and required by NI 43-101.

- Simon Mortimer, M.Sc., MAusIMM, FAIG, of Atticus Geoscience Consulting Ltd. – Geology and Mineral Resource Estimation
- Richard Wagner, P.Eng., Richard Herman Otto Wagner – Mineral Processing and Metallurgical Testing
- Giorgio de Tomi, FIMMM CEng QMR, Consultant – Mining Engineering
- Gavin Beer, FAusIMM CP(Met), independent consultant of Met-Chem Consulting Pty Ltd – Process Plant, Recovery Methods and Infrastructure
- Aleksandar Spasojevic, PhD, P.Eng., of Ausenco – Tailings and Waste Management
- Kerrine Azougarh, P.Eng., of Norda Stelo – Capital and

Operating Costs and Marketing
- João Augusto Hilário de Souza, Member of Australian Institute of Geoscientists (AIG), of L&M Assessoria – Economic Analysis

A complete PEA technical report prepared in accordance with NI 43-101 in support of the disclosed PEA results herein will be filed on SEDAR+ and on the Company's website within 45 days from today's date. The PEA technical report is intended to be read as a whole, and sections should not be read or relied upon out of context.

This announcement has been authorized for release by Resouro's Board of Directors.

Contact Information

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About Resouro

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 Titanium-Rare Earths Project and the Novo Mundo Gold Project. The Tiros Project has 28 mineral concessions totalling 497 km^2 located in the state of Minas Gerais, one of the best infrastructurally developed states of Brazil, 350 km from the state capital of Belo Horizonte.

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. All statements other than statements of historical fact, included in this news release are forward-looking information that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. 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.

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, the United States and globally; changes in national and local government legislation, controls, regulations and political or economic developments in countries in which the Company carries on or may carry on business in the future; actual results of exploration activities; estimation or realization of mineral reserves and resources; timing and amount of estimated future production; costs of production; development of acquired mineral deposits; possible variations in mineral grade or recovery rates; failure

of equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; title disputes; the timing and possible outcome of pending litigation and the possibility of new litigation; risks associated with international operations; risks related to joint venture operations or other material customer or supply agreements; risks related to the integration of acquisitions; fluctuations in the currency markets; operating or technical difficulties in connection with mining activities; mineral exploration and development, including the risks of obtaining necessary licenses and permits; geological, technical and drilling problems; competition for and/or inability to retain drilling rigs and other services; the availability of capital on acceptable terms; the need to obtain required approvals from regulatory authorities; stock market volatility; volatility in market prices for commodities; changes in tax laws and incentive programs relating to the mining industry; and the other factors described in our public filings available at www.sedarplus.ca. 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 ASX, OTC, 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.