QUARTERLY ACTIVITIES & CASH FLOW REPORT

HIGHLIGHTS

Caladão REE-Gallium Project:

- **Woolrich column leach testwork validated** the ionic rare earth elements (**REE**) low-acid, low-cost, sustainable in situ recovery (**ISR**) pathway using a mild magnesium sulphate solution
- **CLT-01 recovered 560ppm soluble TREO** with 39% magnet rare earth oxides (**MREO**), exceeding the best previous diagnostic result, under lower strength reagent conditions
- Testing maintained a **magnet-rich rare earth basket**, including dysprosium (**Dy**) and terbium (**Tb**), with **very low impurity mobilisation**, supporting the potential for simpler downstream processing
- The Woolrich ISR field exploratory test programme is **planned to commence in the December quarter 2026**, with column testing generating the data required for its design
- **Successful field testing would position Axel as a potential first-mover in commercial ISR REE extraction in Minas Gerais, Brazil**

Woolrich Deposit:

- **Woolrich was selected for Axel's inaugural ISR field trial**, with pregnant leach solution (**PLS**) to be supplied to Core Resources (Australia) for downstream MREC production
- Results support targeted **MRE upgrade of Woolrich's 128Mt @ 1,013ppm TREO Mineral Resource to Indicated confidence** and will provide inputs for ISR wellfield design

Corporate:

- **Dr Patience Mpofu (PhD in Mineral Processing) appointed Managing Director**, bringing more than 25 years' resources sector experience, including executive roles at South32, Anglo American and Sibanye-Stillwater
- Strong cash position with $5.7M cash on hand at quarter end

Axel REE Limited (ASX: AXL, **"Axel"** or **"the Company"**) provides its Quarterly Activities Report for the quarter ended 30 June 2026.

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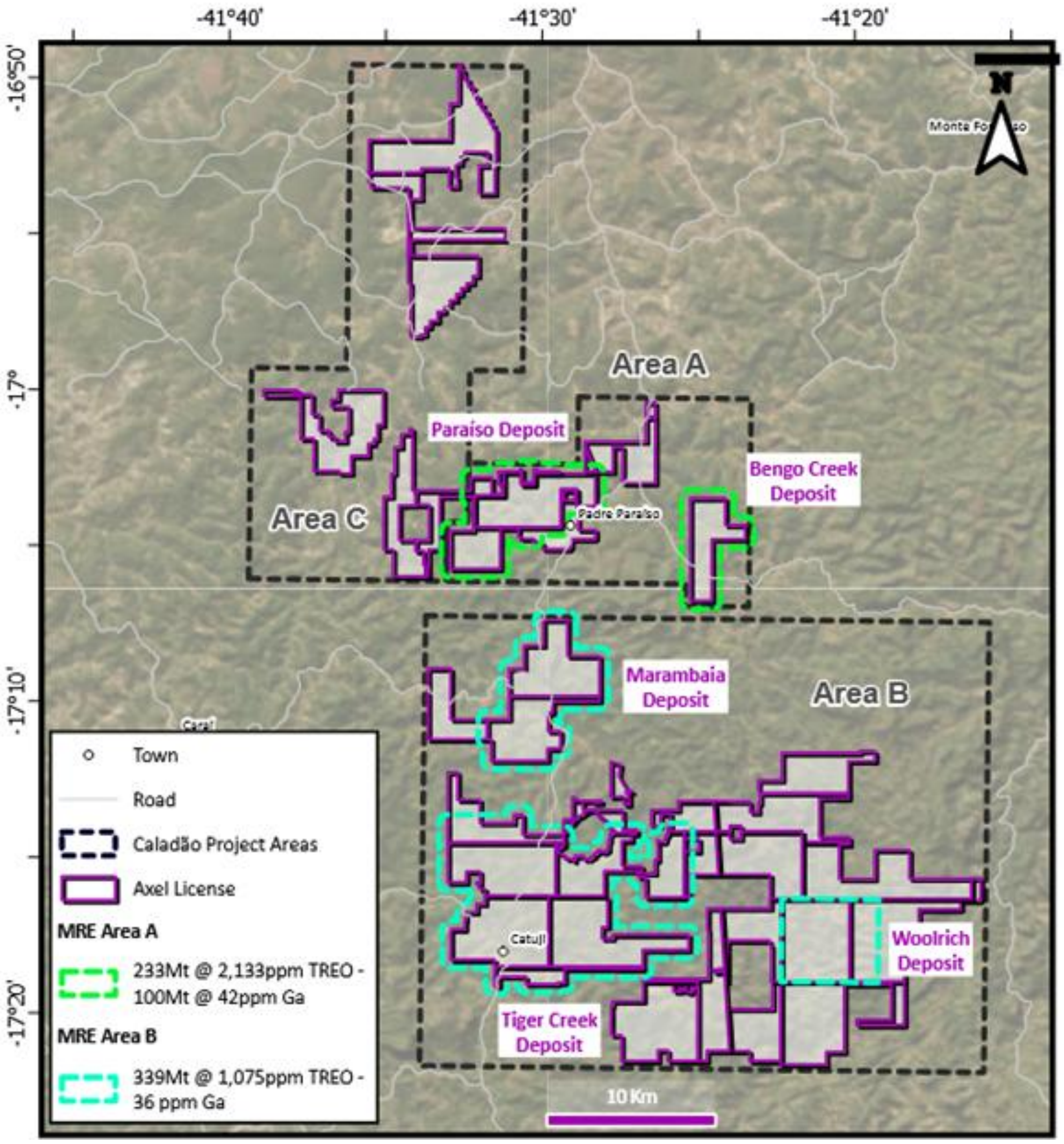

Figure 1. Caladão REE-Gallium Project area (415km^2)

Exploration Activities for the Quarter

Caladão REE-Gallium Project

Woolrich Column Leach Testwork – Ionic REE ISR Development Pathway Validated

The Company's metallurgical programmes at the Woolrich deposit delivered further validation of its in-situ recovery (**ISR**) development pathway during the quarter. Under dynamic, ISR-analogue flow conditions using a mild magnesium sulphate (**$MgSO_4$**) solution at pH 4.0, up to **560ppm soluble TREO at 39% MREO** was recovered, exceeding the best result achieved during the earlier static diagnostic testwork programme.

The results exceeded the diagnostic benchmark under lower strength reagent conditions, while maintaining a magnet-rich rare earth basket and very low impurity mobilisation, **supporting Woolrich's potential suitability for ISR development**. The metallurgical testwork is being conducted by Core Resources Pty Ltd (**Core**), a specialist metallurgical laboratory in Brisbane with extensive REE leach testwork experience.

CLT-01 recovered 560ppm soluble TREO at pH 4.0, a 14% increase on the base diagnostic case (LT02), under lower strength reagent conditions. CLT-02, operated at the lower 0.125M reagent strength, recovered 494ppm soluble TREO, compared with 491ppm in the diagnostic base case.

Test	TREO (ppm)	Relative to Diagnostic Test (LT02)	$MgSO_4$	pH
LT02 (base diagnostic case)	491	100%	0.25M	4.0
LT05 (diagnostic)	533	109%	0.125M	4.0
LT07 (best diagnostic case)	546	111%	0.25M	3.5
CLT-01	**560**	**114%**	**0.25M**	**4.0**
CLT-02	494	101%	0.125M	4.0

Table 1. Soluble TREO from diagnostic and column leach testing on the Woolrich composite using magnesium sulphate solution throughout. LT02 is the diagnostic base-case benchmark.

The results indicate that REE recovery is driven by solution throughput and ion-exchange equilibrium rather than reagent strength. The ongoing column programme will further define the optimum reagent strength required to maintain recovery while minimising PLS volumes – an important driver of operating cost for a commercial ISR operation.

Impurity mobilisation remained very low throughout both column leach tests, with cumulative aluminium below 2ppm, iron below 0.5ppm, thorium below 5.5ppm and uranium below 4ppm, supporting the selectivity of magnesium sulphate leaching under the conditions tested. A high-value, magnet-rich basket was maintained throughout, with CLT-01 and CLT-02 recovering approximately 39% and 37% MREO respectively. This indicates that the magnet rare earths, including the heavy rare earths dysprosium (Dy) and terbium (Tb), were recovered alongside the total rare earths under magnesium sulphate ISR conditions.

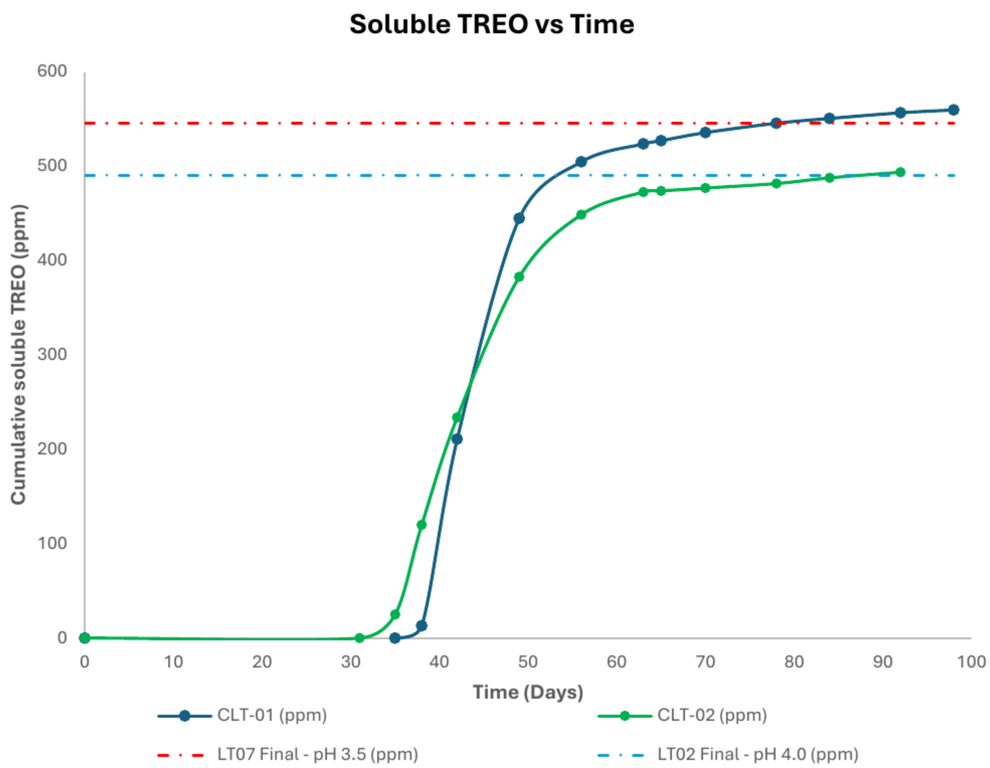

Figure 2. Column leach TREO recovery relative to the LT02 diagnostic benchmark.

The highest diagnostic and column leach results achieved to date at Woolrich exceed the 486ppm soluble TREO grade previously referenced by the Company from the operating Gerik ionic clay ISR operation in Malaysia, while maintaining very low aluminium, iron, thorium and uranium mobilisation.

The CLT-01 and CLT-02 programmes have generated the first laboratory-derived ISR operating parameters for Woolrich, including breakthrough behaviour, recovery kinetics, reagent response and solution chemistry. The **Woolrich ISR field exploratory test programme is planned to commence in the December quarter 2026**, and the column test data will be used to optimise future column programmes and support its design. A second pair of columns (CLT-03 and CLT-04) has commenced following the initial leach performance data from CLT-01 and CLT-02.

Successful progression through the field exploratory test programme could position Axel as a potential first-mover in commercial ISR REE extraction in Minas Gerais, Brazil.

Woolrich Drilling Supports ISR Pathway and Resource Upgrade

During the quarter the Company reported assay results for **137 holes** from its 258-hole infill and step-out auger drilling programme at the 128Mt Woolrich ISR REE Deposit (refer ASX release 6 May 2026). The results further define a laterally extensive and vertically developed ionic clay rare earth system across the selected ~2,000ha footprint. The 200m × 200m drill spacing was designed to support conversion of Woolrich's current Inferred Mineral Resource of **128Mt @ 1,013ppm TREO to Indicated classification**, while also providing geological inputs for ISR wellfield design and leach domain definition.

Key highlights included:

- **High-grade assays,** including 1m @ 8,517ppm TREO (41% MREO) with 269ppm DyTb and 332ppm Y_2O_3 in CLD-AUG-682, and key intercepts of 4m @ 3,740ppm TREO and 10m @ 3,055ppm TREO
- **Thick, shallow intercepts**, including 6m @ 3,324ppm TREO from 1m depth (CLD-AUG-748) and 12m @ 2,552ppm TREO from 1m depth (CLD-AUG-779). Shallow mineralisation onset minimises wellfield installation depth – a key economic driver for ISR operations
- **HREE and Yttrium enrichment**, with a signature more consistent with the high-value ionic clay systems of southern China compared to the predominantly LREE-weighted Brazilian carbonatite or alkaline intrusive-associated deposits, with potential to enhance the value of a future MREC product.

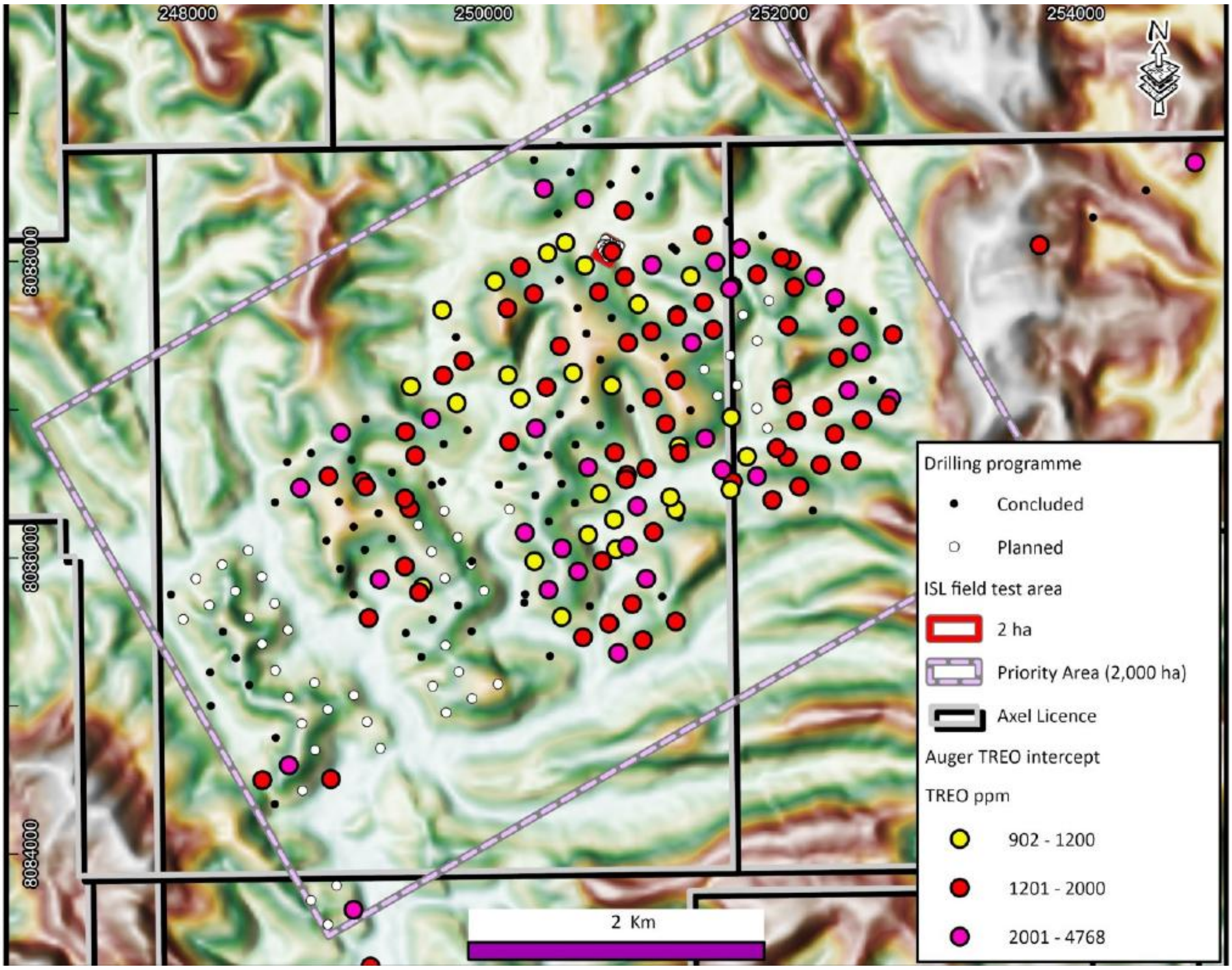

Figure 3. Spatial distribution of TREO intercepts across the Woolrich Deposit, highlighting the broad mineralised footprint defined by systematic drilling across approximately 2,000 hectares.

Mineralised intervals from the Woolrich drilling programme have been submitted to SGS for magnesium sulphate leach testing. This work will help define soluble REE distribution, support leach domain modelling and prioritise areas for future field-based studies. The Woolrich Indicated Mineral Resource upgrade remains targeted for completion in 2026.

Woolrich Deposit Selected as Field Test Location for In Situ REE Recovery Programme

Early in the quarter, the **128Mt Woolrich ISR Deposit** within Caladão Project Area B was selected as the location for the Company's inaugural in situ recovery REE field test programme (refer ASX release 13 April 2026). Approximately 2 hectares have been defined within which the field test will be conducted, selected on the basis of favourable geological, topographic and regolith characteristics – including low-relief topography that supports gravity-assisted PLS drainage, a well-developed lateritic regolith profile over coarse pegmatitic granite providing suitable permeability for leachant distribution, and bedrock immediately below the ionic rare earth mineralisation expected to act as a natural hydraulic boundary.

Figure 4. Woolrich Deposit first wellfield test area at Caladão – Area B.

The field test programme is designed to generate the operating parameters required for wellfield and process design, including permeability response, reagent consumption, PLS tenor, recovery behaviour, hydraulic control and impurity management under field conditions. PLS generated from the field tests will be supplied to Core Resources (Australia) for downstream MREC production, evaluating the pathway from in situ extraction to a potential saleable product. A multidisciplinary technical team covering mining/project engineering, process engineering, environmental coordination, geology, hydrogeology and geotechnical support is being assembled.

The potential environmental and capital advantages of the ISR approach remain subject to successful completion of technical studies, leach testing, hydrogeological assessment, environmental review, permitting, regulatory approvals and funding.

Gallium and Scandium Testwork

Core Resources continued to progress the gallium leach testwork programme during the quarter, evaluating acid leach conditions for gallium extraction from Caladão material. Gallium has been subject to Chinese export restrictions since 2023 and is a critical input for semiconductors and defence electronics. Caladão's **439Mt @ 38ppm gallium** Inferred Mineral Resource is one of the largest discrete gallium inventories reported globally and positions Axel as a potential non-Chinese source. Downstream recovery studies with Core Resources to assess potential gallium and scandium product pathways are ongoing.

Caldas REE Project

Exploration Target Definition and Metallurgical Studies

Following completion of auger drilling across the North, Central, East and South prospects around the rim of the Poços de Caldas alkaline caldera complex, the Company continued to integrate drilling and assay data to define an initial Exploration Target for the Caldas REE Project in accordance with the JORC (2012) Code. The Exploration Target is intended to provide an early indication of the potential scale of REE mineralisation contained within the project's 228km^2 landholding.

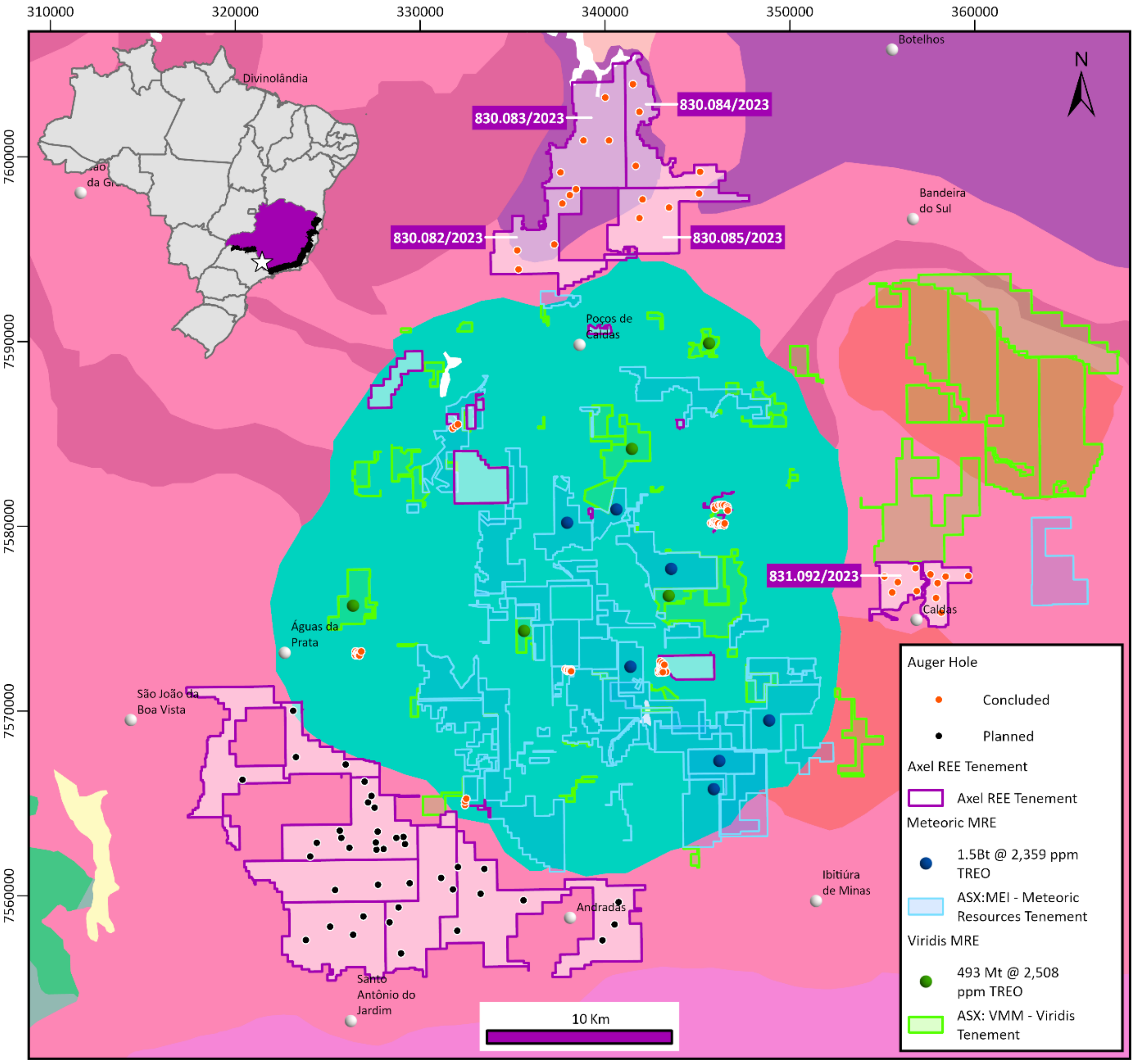

Figure 5. Caldas Project.

Corporate

Cash Position

The Company held $5.7M in cash at 30 June 2026.

Appointment of Managing Director

On 11 June 2026, the Company announced the appointment of **Dr Patience Mpofu as Managing Director**. Dr Mpofu is a globally recognised mining executive, director and critical minerals strategist with more than 25 years' experience spanning metallurgy, mining operations, corporate strategy, capital markets, ESG and stakeholder engagement in the resources sector.

Dr Mpofu holds a PhD in Mineral Processing and has deep technical expertise in clay-hosted mineral systems and rare earth metallurgy, directly relevant to Axel's planned ISR field exploratory test programme at Woolrich. Her executive leadership experience includes senior roles with South32 Limited (ASX: S32), Anglo American and Sibanye-Stillwater (formerly Lonmin Plc). She currently serves as a Non-Executive Director of Orion Minerals Limited (ASX/JSE: ORN) and is Founder and CEO of Insight Mining Experts. Her appointment supports Axel's transition from exploration toward technical and commercial development of its rare earths and critical minerals portfolio. The material terms of her employment were set out in the Company's ASX release of 11 June 2026.

ASX – Additional Information

5.3.1.

For the purpose of ASX Listing Rule 5.3.1, details of the Company's exploration activities for the quarter, including any material developments or changes in those activities, and a summary of the expenditure incurred on those activities is set out in the relevant sections of this announcement. Total exploration expenditure incurred during the period was approximately $477k.

5.3.2.

For the purpose of ASX Listing Rule 5.3.2, the Company confirms that there were no mining production and development activities during the quarter by the Company or its subsidiaries.

5.3.3.

For the purpose of ASX Listing Rule 5.3.3, details of the tenements held by the Company are set out at Schedule 1. No mining tenements were acquired or disposed of during the quarter.

5.3.4.

For the purpose of ASX Listing Rule 5.3.4, a comparison of the use of funds as per the Axel REE Prospectus dated 7 June 2024 (Prospectus) and actual use of funds since ASX admission is presented below:

Use of Funds	Prospectus Estimate (2-year period following admission) ($ million)	Actual use of funds until 30 June 2026 ($ million)	Variance
Exploration at the Projects	9.65	4.11	(5.54)
Expenses of the Offer	1.14	1.10	(0.04)
General and administration costs	2.51	2.81	0.30
Working capital	0.52	0.07	(0.45)
Total	**13.82**	**8.09**	**(5.73)**

The material variance relating to exploration expenditure was principally due to the following:

- The Company has reported Mineral Resource Estimates (**MRE**) for gallium and REE and significant MRE upgrades during the period, completed advanced metallurgical testwork, and continued to define further exploration targets whilst maintaining significant cost efficiencies
- The Company remains on track to meet its stated objectives under the Prospectus at costs below the Prospectus Estimates

5.3.5.

For the purpose of ASX Listing Rule 5.3.5, the Company made payments of approximately $143k to related parties and their associates. These payments include directors' fees/salaries and superannuation contributions, and company secretary fees.

This announcement was authorised by the Board of Directors.

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About Axel REE

Axel REE is a critical minerals exploration company which is primarily focused on developing the Caladão REE-Gallium and Caldas REE Projects in Brazil, the second largest country globally in terms of REE reserves.

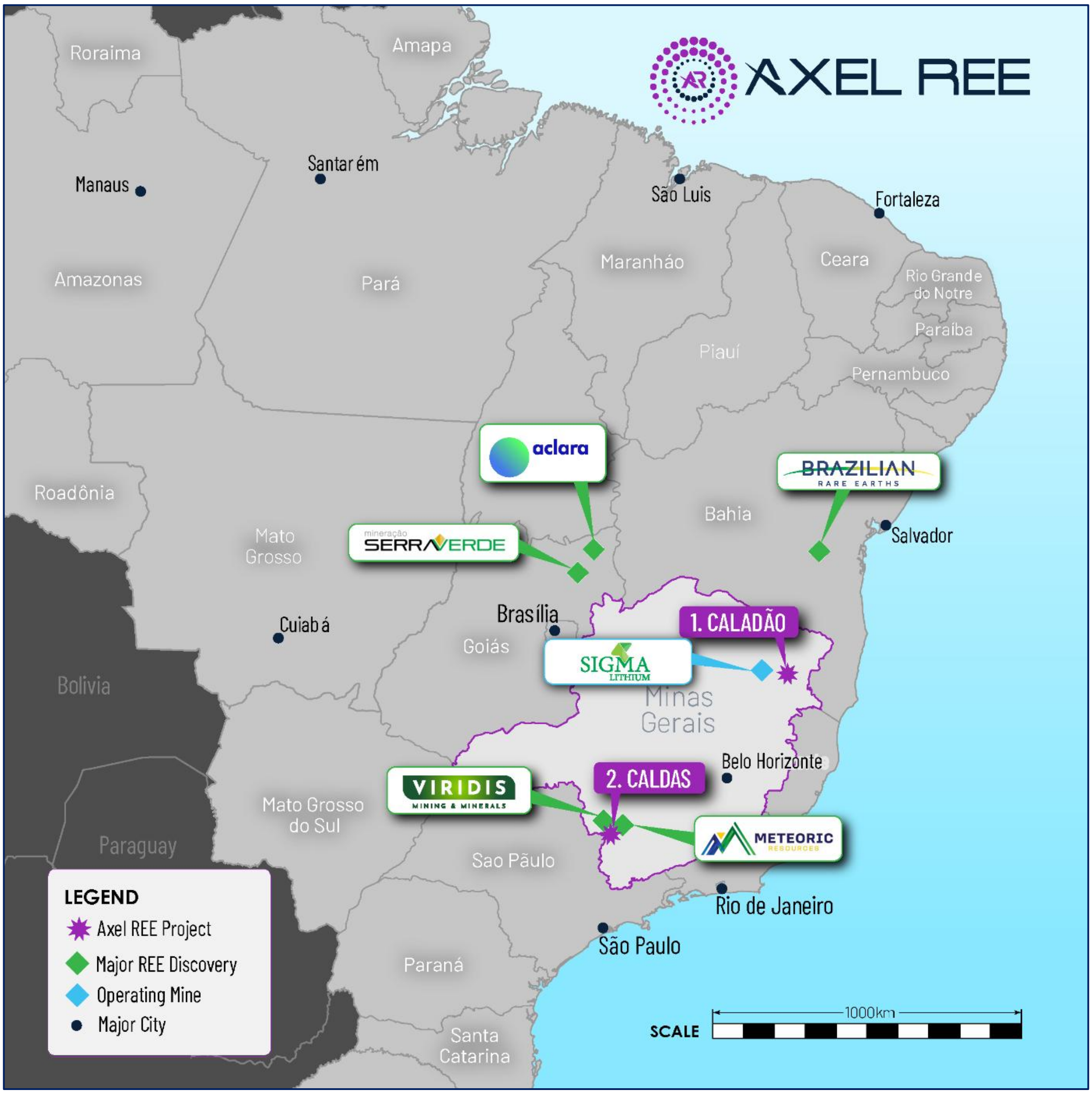
Axel is advancing a low-cost, modular development concept at Caladão based on in situ recovery (**ISR**) of ionic clay-hosted rare earth mineralisation using magnesium sulphate leaching. This approach aims to minimise surface disturbance and capital intensity by deploying modular hydrometallurgical plants within wellfields. In parallel, Axel is progressing metallurgical programs to unlock additional value from gallium and scandium within the near-surface oxidised profile.

JORC 2012 Mineral Resource Deposit	JORC 2012 Classification	Tonnes and Grade
Caladão Project – Area A	Inferred	**233Mt @ 2,133ppm TREO**
Marambaia – Area B	Inferred	**126Mt @ 1,154ppm TREO**
Tiger Creek – Area B	Inferred	**85Mt @ 1,050ppm TREO**
Woolrich – Area B	Inferred	**128Mt @ 1,013ppm TREO**

Inferred Rare Earth Elements MRE Area A & Area B for a total MRE tonnage of 572Mt.

JORC 2012 Mineral Resource Deposit	JORC 2012 Classification	Tonnes and Grade
Caladão Project – Area A	Inferred	**100Mt @ 42.0ppm Gallium**
Caladão Project – Area B	Inferred	**339Mt @ 36.6ppm Gallium**

Inferred Gallium MRE Area A & Area B for a total MRE tonnage of 439Mt.



Map of Axel REE key projects in Brazil

Competent Persons Statement

The information in this announcement that relates to Exploration Results and Metallurgical Test Work is based on and fairly represents information and supporting documentation compiled by Mr Antonio de Castro, BSc (Hons), MAusIMM, CREA who acts as Axel´s Senior Consulting Geologist through the consultancy firm, ADC Geologia Ltda. Mr. de Castro has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the reporting of exploration results and analytical and metallurgical test work he is undertaking 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 de Castro consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

Forward Looking Statement

This announcement contains projections and forward-looking information that involve various risks and uncertainties regarding future events. Such forward-looking information can include without limitation statements based on current expectations involving a number of risks and uncertainties and are not guarantees of future performance of the Company. These risks and uncertainties could cause actual results and the Company's plans and objectives to differ materially from those expressed in the forward-looking information. Actual results and future events could differ materially from anticipated in such information. These and all subsequent written and oral forward-looking information are based on estimates and opinions of management on the dates they are made and expressly qualified in their entirety by this notice. The Company assumes no obligation to update forward-looking information should circumstances or management's estimates or opinions change.

Reference to Previous Announcements

The information in this announcement that relates to exploration results is extracted from:

- AXL ASX release 22 June 2026, *"Axel Validates Ionic REE ISR Development Pathway"*
- AXL ASX release 6 May 2026, *"Woolrich Drilling Supports ISR Pathway and Resource Upgrade"*
- AXL ASX release 20 April 2026, *"REE ISR Column Testing Achieves Flow-Through Milestone"*
- AXL ASX release 13 April 2026, *"ISR REE Field Trial Area Selected at Woolrich Deposit"*
- AXL ASX release 23 December 2025, *"Axel MRE Delivers 145% REE Growth and 339% Gallium Growth"*
- AXL ASX release 26 November 2025, *"Breakthrough REE Metallurgy at Caladao In Situ Leach Target"*

The Company confirms that it is not aware of any other new information or data that materially affects the information contained in these announcements and, in the case of estimates of mineral resources, that all material assumptions and technical parameters underpinning the estimates in the announcements continue to apply and have not materially changed.

Schedule 1 – Tenements at 30 June 2026

Tenement Number	Area (ha)	Holder	Location	Interest	Expiry Date
830500/2023	1460.5	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
830882/2023	8.12	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
830883/2023	57.57	Axel REE Ltda	Minas Gerais	100%	Application pending
830886/2023	47.58	Axel REE Ltda	São Paulo	100%	Granted/Renewal pending
830888/2023	7.77	Axel REE Ltda	São Paulo	100%	Granted/Renewal pending
830889/2023	442.8	Axel REE Ltda	São Paulo	100%	28-Feb-2027
830890/2023	363.73	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
830891/2023	5.63	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
830893/2023	24.65	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
820286/2023	16.56	Axel REE Ltda	Minas Gerais	100%	26-Oct-2026
820287/2023	899.49	Axel REE Ltda	Minas Gerais	100%	26-Oct-2026
820319/2023	1603.14	Axel REE Ltda	Minas Gerais	100%	26-Sep-2026
830082/2023	1549.63	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
830083/2023	1995.5	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
830084/2023	1327.5	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
830085/2023	1454.03	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
830451/2023	1919.96	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
830452/2023	148.72	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
830453/2023	1502.79	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
830454/2023	1299.51	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
830455/2023	1227.51	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
830456/2023	1080.58	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
830457/2023	1317.8	Axel REE Ltda	Minas Gerais	100%	14-Oct-2027
830458/2023	1714	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
830459/2023	1599.56	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
830460/2023	1435.97	Axel REE Ltda	Minas Gerais	100%	11-Mar-2028
830461/2023	1914.17	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
830462/2023	1978.71	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
830463/2023	1917.61	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
830464/2023	1991.16	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
830465/2023	1912.78	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
830466/2023	1968.93	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
830467/2023	826.86	Axel REE Ltda	Minas Gerais	100%	20-Sep-2027
830468/2023	910.99	Axel REE Ltda	Minas Gerais	100%	20-Sep-2027
830469/2023	1972.5	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
830505/2023	1033.42	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
830506/2023	786.64	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
830515/2023	1963.87	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
830516/2023	1947.1	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
830527/2023	386.89	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
830880/2023	357.8	Axel REE Ltda	Minas Gerais	100%	Application pending

Tenement Number	Area (ha)	Holder	Location	Interest	Expiry Date
830881/2023	32.34	Axel REE Ltda	Minas Gerais	100%	Application pending
830884/2023	24.43	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
830885/2023	695.36	Axel REE Ltda	Minas Gerais	100%	Application pending
830887/2023	25.17	Axel REE Ltda	São Paulo	100%	28-Feb-2027
830895/2023	102.82	Axel REE Ltda	São Paulo	100%	28-Feb-2027
831084/2023	1950.77	Axel REE Ltda	São Paulo	100%	Granted/Renewal pending
831086/2023	1886.07	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
831087/2023	1998.07	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
831088/2023	1956.82	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
831089/2023	1983.83	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
831090/2023	1333.64	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
831092/2023	1085.01	Axel REE Ltda	Minas Gerais	100%	Granted/Renewal pending
833340/2023	936.03	Axel REE Ltda	Minas Gerais	100%	Application pending
833341/2023	1130.7	Axel REE Ltda	Minas Gerais	100%	Application pending
831458/2020	1574.47	Axel REE Ltda	Minas Gerais	100%	27-Nov-2027
831515/2020	884.39	Lobo Guara Mineracao e Representacao Eireli[1]	Minas Gerais	100%	10-Oct-2028
831383/2025	43.24	Lobo Guara Mineracao e Representacao Eireli[1]	Minas Gerais	100%	10-Oct-2028
831384/2025	42.10	Lobo Guara Mineracao e Representacao Eireli[1]	Minas Gerais	100%	10-Oct-2028
831524/2020	1023.9	Foxfire Metals Ltda[1]	Minas Gerais	100%	Granted/Renewal pending

[1] *100% beneficial interest in the mineral rights (other than lithium) in the REE Tenements was assigned to the Company.*

Appendix 5B

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

Name of entity	
AXEL REE LIMITED	
ABN	**Quarter ended ("current quarter")**
50 665 921 273	30 JUNE 2026

Consolidated statement of cash flows		Current quarter $A'000	Year to date 12 months $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(477)	(1,972)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(46)	(130)
	(e) administration and corporate costs	(354)	(1,371)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	45	398
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (GST refunds)	13	95
1.9	**Net cash from / (used in) operating activities**	**(819)**	**(2,980)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

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

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

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	6,553	8,714
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(819)	(2,980)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date 12 months $A'000**
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**5,734**	**5,734**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	5,734	6,553
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (Term Deposits)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**5,734**	**6,553**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(143)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Refer section 5.3.5 of quarterly activity report for further explanation of related party payments.

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

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(819)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(819)
8.4	Cash and cash equivalents at quarter end (item 4.6)	5,734
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	5,734
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	7.0

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
	Answer: N/A
	Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 29 July 2026

Authorised by: Board of Axel REE Limited
(Name of body or officer authorising release – see note 4)

Notes

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