



FOR IMMEDIATE RELEASE

Southern Alliance Mining and Brazilian Critical Minerals Forge Strategic Alliance to Explore Global Rare Earth Opportunities

- BCM and SAM have signed a non-binding collaboration agreement to evaluate joint opportunities for development and distribution of rare earth products from their respective projects
- SAM owns 40% of MCRE Resources Sdn Bhd, operator of the Pioneer Gerik mine project — one of the world’s largest in-situ recovery (ISR) rare earth operations in Malaysia — which has sold approximately 20,280 tonnes of mixed rare earth carbonate (MREC) as of August 2025
- BCM (ASX: BCM) is an Australian mineral exploration company focused on rare earth elements (REE) and platinum group metals (PGM) in Brazil, with its flagship Ema Project representing a 1Bt ionic adsorption clay (IAC) rare earth deposit being advanced towards ISR production
- The collaboration supports each party’s strategy to maximise value from their rare earth assets and strengthen their positions in the global critical minerals market
- The Agreement establishes a joint scope of work as the parties evaluate the terms of a potential binding agreement for rare earth product sales

Singapore, 20 April 2026 – Southern Alliance Mining Ltd. (“**SAM**” or the “**Company**”, together with its subsidiaries, “**the Group**”), a diversified mining company and a leading producer of rare earth carbonate in Malaysia, is pleased to announce it has signed a non-binding collaboration agreement with Brazilian Critical Minerals Limited (ASX: BCM) (“**BCM**” or the “**Company**”)(the “**Parties**” and each a “**Party**”), to evaluate potential synergies between their respective rare earth assets (the “**Agreement**”). The Agreement establishes a framework for assessing technical, commercial and logistical requirements for potential joint operations, and for negotiating terms for future offtake arrangements.

The collaboration unites SAM’s operational expertise in constructing and operating in-situ



recovery (ISR) rare earth projects — exemplified by its pioneer Gerik Mine in Ipoh, Malaysia — one of the world's largest in-situ recovery (ISR) rare earth operations — with BCM's 1Bt Ema Project (“**Ema Project**”), an ionic adsorbed clay (IAC) rare earth deposit in Brazil also being advanced as an ISR project. Together, the parties will evaluate joint opportunities for the development and distribution of rare earth element (REE) products, combining proven production capability with a substantial resource base offering decades of production potential. The collaboration supports each party’s strategy to maximise value from their respective rare earth assets and strengthen their respective positions in the global critical minerals market.

SAM holds a 40% equity interest in MCRE Resources Sdn Bhd, the operator of the Gerik Mine. As of August 2025, the mine had produced and sold approximately 20,280 tonnes of mixed rare earth carbonate (MREC), demonstrating robust operational viability even in a challenging price environment.

Key Objectives of the Collaboration:

- Facilitate exchange of operational, market and technical information to assess potential synergies;
- Evaluate joint commercial opportunities, including potential product offtake agreements;
- Explore strategic partnership models, joint venture structures, and other forms of project cooperation; and
- Identify and quantify the operational, financial, and technical synergies that could be realised through a combined effort.

Save for their respective shareholdings (if any) in the Company, no director or controlling shareholders of the Company has any interest, direct or indirect in the collaboration.

Dato’ Sri Pek Kok Sam, Managing Director of Southern Alliance Mining, commented: ***“We’re excited about this collaboration and the opportunity it presents to draw on our operational experience at Gerik Mine, while exploring how we can work together with BCM on its Ema Project. By combining our capabilities, we can potentially operate more efficiently and bring rare earth products to market more effectively. The industry needs experienced operators who can collaborate to meet the world’s growing demand for critical materials. This agreement gives both our companies the opportunity to explore***



how we can play a meaningful role in achieving that. I would also like to extend my sincere appreciation to Mr. Lim Wei Hung, Executive Director and Chief Operating Officer, for his instrumental role in facilitating this engagement and bringing both parties together.”

Andrew Reid, Managing Director (BCM), commented: ***“Over a number of years, SAM has done an outstanding job in constructing and developing one of the sizeable ISR rare earth projects globally in operation, setting the benchmark for production of high-quality rare earth products whilst maintaining strong revenue and margins throughout a challenging price environment. ISR is the most common method of rare earth extraction globally and SAM’s results to date speak to the robustness of ISR approach and the future direction of the sector.***

“This agreement allows us to explore how SAM’s operational experience and our Ema project might complement each other. We see potential to create value for both parties through shared technical insights and commercial opportunities in the rare earth supply chain.”

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About Southern Alliance Mining Ltd

Southern Alliance Mining Ltd. (the **“Company”** and together with its subsidiaries, the **“Group”**) is an established producer of high-grade iron ore products in Malaysia, and is listed on the Catalist of Singapore Exchange on 26 June, 2020 (**SGX: QNS**). Headquartered in Pahang, Malaysia, the Group is principally involved in the exploration, mining and processing of iron ore for subsequent sale. The Group sells (i) rare earth carbonates; (ii) iron ore concentrate of low level of impurities with total Fe grade of between 62% to 65% to steel mills and trading companies mainly located in Malaysia and China; and (iii) pipe coating materials that are crushed iron ore with a natural characteristic of a higher density for subsea pipes.

In September 2025, the Group successfully acquired a 40% equity interest in MCRE Resources Sdn Bhd, thereby marking its strategic entry into the rare earth elements (REEs) sector. This move is intended to capitalise on the increasing demand for REEs and to further diversify the Group’s income streams, reducing dependence on a single commodity.



The Group's iron ore asset, the Chaah Mine, is an open mine pit consisting of two (2) mining leases and covering an aggregate area of 225.7 hectares. The Chaah Mine is strategically located near existing road networks to ports. The Group's established supporting infrastructure and facilities consist of four (4) fixed crushing plants, two (2) lines of mobile crushers and two (2) beneficiation plants both capable of operating on a 24-hour shift. The Group has an approximate monthly production capacity of 60,000 tonnes of iron ore concentrates (not including pipe coating materials). In addition, the Group has also been granted the right to carry out exploration and mining operations at five (5) potential iron ore mines located in Johor, Malaysia.

The Group has also extended its core business to include mining of gold and other precious metals, base metals and minerals as well as trading in other commodities. The Group has been granted the right to carry out exploration for gold mineralisation in the State of Johor and had commenced exploration activities since February 2022.

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