



Highlights

- Microstructure analysis of a single bulk sample by Scanning Electron Microscopy (SEM) of White Swan Bulk Sample 1 completed by Foshan Ceramics Research Institute Testing Co., Ltd. in China.
- Observed morphology of platy, sheet-like particles with a layered, stacked morphology is encouraging for potential higher-value applications, including paper coating, fillers and specialty kaolin products, subject to further testing and customer qualification.
- ASQ marketing delegation to visit four potential customers in 3 provinces across southern China early November seeking to progress offtake negotiations

The SEM findings support continued investigation of potential higher-value applications for White Swan kaolin. Suitability for specific end uses remains subject to further technical testwork and customer qualification.

Australian Silica Quartz Group Limited (ASX: ASQ) is pleased to report encouraging Scanning Electron Microscopy (SEM) results from its White Swan Kaolin Project near Esperance, Western Australia. Investigations of material derived from Bulk Sample 1 identified essentially platy, sheet-like particles with a layered, stacked morphology.

The investigations were completed by Foshan Ceramics Research Institute Testing Co., Ltd. in China. The observed morphology is considered encouraging for potential higher-value kaolin applications, including paper coating, fillers and specialty products, subject to further testing and customer qualification.

These preliminary observations relate to a single bulk sample and may not be representative of the entire White Swan Mineral Resource. The SEM results do not establish suitability for any particular commercial application.

29 October 2026

ASX Code: ASQ

AUSTRALIAN SILICA QUARTZ GROUP LTD

ABN: 72 119 699 982

DIRECTORS:

Robert Nash

Non Executive Chairman

Luke Atkins

Executive Director

Jamie Cullen

Non Executive Director

Neil Lithgow

Non Executive Director

CHIEF EXECUTIVE OFFICER AND COMPANY SECRETARY:

Sam Middlemas

Head Office:

Suite 10, 295 Rokeby Road
Subiaco WA 6008

Mail:

Suite 10, 295 Rokeby Road
Subiaco WA 6008

T: +61 8 9200 8200

F: +61 9 9200 8299

E: admin@asqg.com.au

W: www.asqg.com.au

Share Registry:

Automic Group

GPO Box 5193

Sydney NSW 2001

T: 1300 288 664 (within Australia)

T: +61 2 9698 5414 (international)

www.automicgroup.com.au

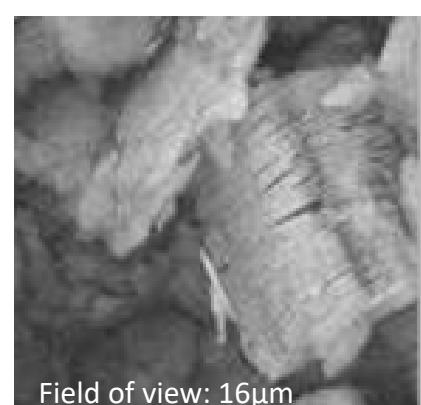
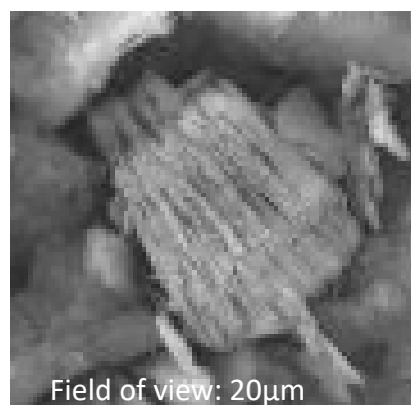
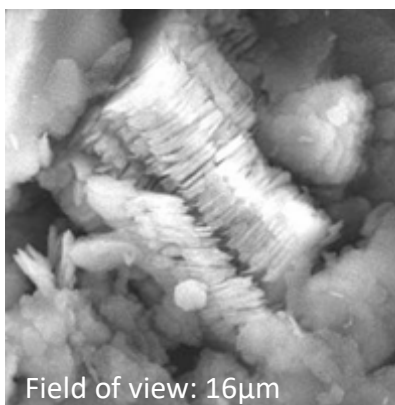


Figure 1: Stacks of platy White Swan kaolinite from Bulk Sample 1 under Scanning Electron Microscopy

The results provide a separate technical update following the Company's bulk-sampling announcement of 20 October 2026. Bulk Sample 1, from which the SEM material was derived, was described in the Company's announcement "Encouraging Preliminary Kaolin Testwork Results", released on 29 July 2026.

Comment from ASQ CEO Sam Middlemas:

"The SEM observations are an encouraging addition to our technical understanding of White Swan kaolin. The platy layered and stacked particles identified in Bulk Sample 1 support continued investigation of potential higher-value applications. These are preliminary results from a single bulk sample. Further testwork and customer qualification are required to determine whether White Swan kaolin can meet the requirements of specific end-use markets.

We are also encouraged by the level of customer interest and look forward to progressing discussions during our upcoming visit to China."

Encouraging SEM Results

White Swan kaolin samples derived from Bulk Sample 1 were subjected to **Scanning Electron Microscopy (SEM)** microstructure investigations by Foshan Ceramics Research Institute Testing Co., Ltd. in China. Details of Bulk Sample 1 are provided in ASQ's ASX announcement "Encouraging Preliminary Kaolin Testwork Results", released on 29 July 2026.

Independent laboratory analysis reported that:

"The particles in the sample are essentially platy (sheet-like), with a layered, stacked morphology."

ASQ's kaolin specialist James Marsh commented:

"Stacks of kaolin that are shown are difficult to find in kaolin resources and the observed morphology is considered encouraging for potential higher-value applications, including coating and paper-grade markets, subject to further testing and customer qualification."

The Company considers these observations encouraging and believes the morphology identified within White Swan kaolin may support suitability for higher-value industrial applications including paper coating, fillers and specialty kaolin products, subject to continued testing and customer qualification programs.

An ASQ marketing delegation will visit four potential customers across the Guangdong and Fujian provinces in southern China in early November 2026 to progress offtake negotiations for White Swan kaolin. These potential customers have received initial samples and expressed interest in non-binding offtake memoranda of understanding (MOUs) for container-load processing trials at their facilities.

The visits are intended to advance discussions on these proposed trial arrangements, which could provide a pathway to longer-term offtake agreements, subject to successful processing trials, customer qualification and agreement on commercial terms. The proposed MOUs are non-binding and do not constitute binding offtake commitments.

Next Steps

- Continued technical testwork aimed at assessing potential higher-value end-use applications for White Swan kaolin.
- Advance application testing and customer qualification to assess suitability for specific industrial uses.
- An ASQ marketing delegation is visiting potential customers in China who received initial samples and expressed interest in non-binding offtake MOUs for container-load processing trials at their facilities, potentially leading to longer-term offtake agreements.
- Undertake a feasibility study based on exporting direct shipping ore kaolin within the parameters of the MOU's obtained.

About the White Swan Kaolin Project

ASQ holds the White Swan Kaolin Project near Esperance, Western Australia, through its wholly owned subsidiary Australian Kaolin Pty Ltd. The project covers 51.5 km² across granted mining and exploration tenure, approximately 35 km by sealed road from Esperance Port. Land access is secured, with an option to purchase the freehold land.

White Swan hosts a shallow Inferred Mineral Resource of 47 million tonnes at a 25% Al₂O₃ cut-off, reported under the JORC Code (2012 Edition).

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original resource announcement and that all material assumptions and technical parameters underpinning the Mineral Resource estimate continue to apply and have not materially changed.

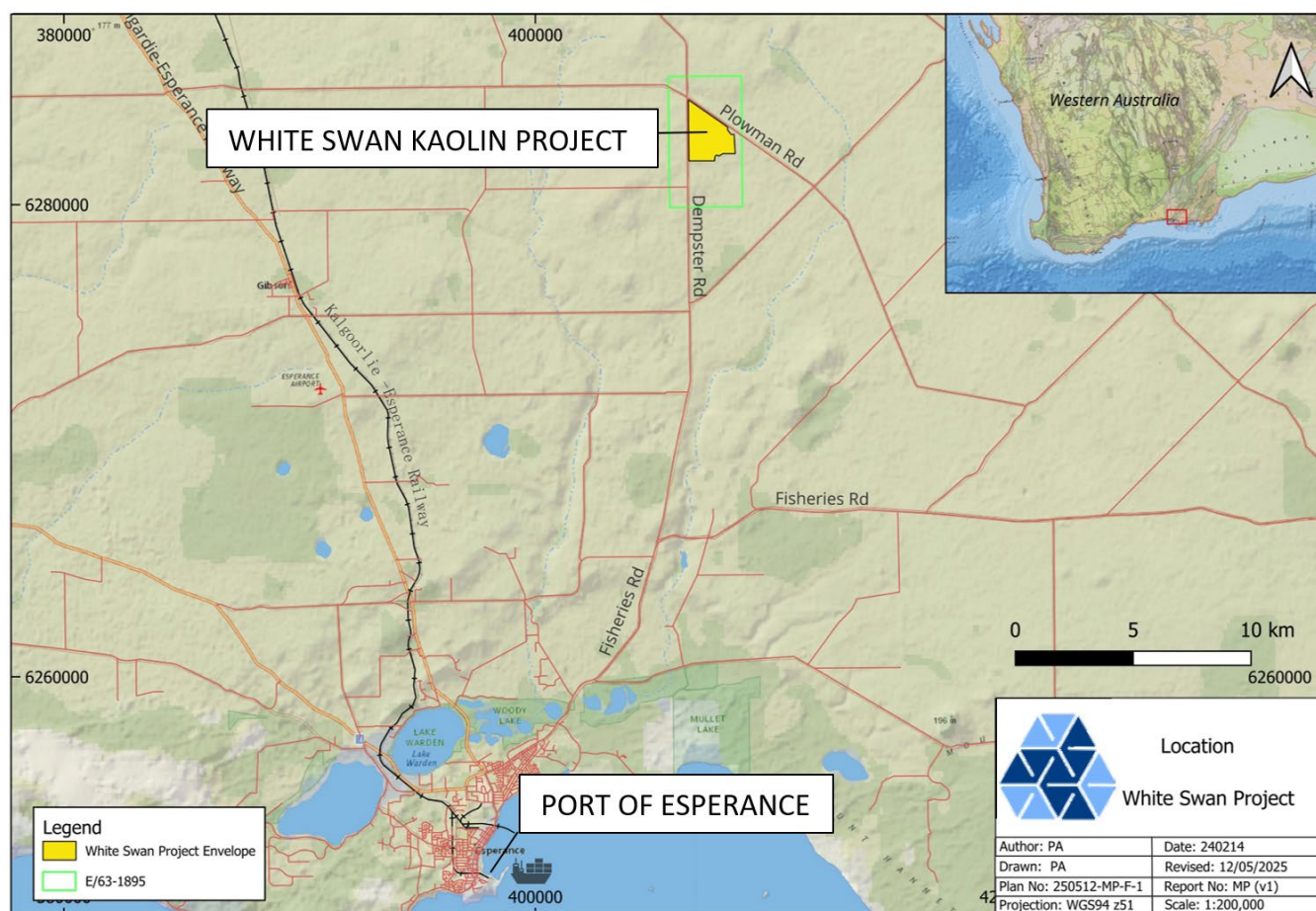


Figure 2: White Swan Kaolin Project Location

This announcement has been approved for release by the Board.

Competent Person Statement

The information in this announcement relating to exploration results and technical information was compiled by Mr Nick Algie in his capacity as Exploration Manager of Australian Silica Quartz Group Limited. Mr Algie is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration 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. Mr Algie consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Cautionary Statement

The SEM observations reported in this announcement relate to a single bulk sample and are preliminary in nature. The results may not be representative of the entire White Swan Mineral Resource and do not establish suitability for a particular end use. Further metallurgical testwork and customer qualification are required to assess potential applications. Further metallurgical, engineering, marketing and commercial studies are required before the Company can determine the economic viability of any future development pathway.

Report References

Australian Silica Quartz Group Ltd (ASX:ASQ) ASX Announcement “Purchase of Australian Kaolin Pty Ltd” Released on 21 April 2026.

Australian Silica Quartz Group Ltd (ASX:ASQ) ASX Announcement “DMPE Approval of White Swan Mine Development and Closure Plan” Released on 27 May 2026.

Australian Silica Quartz Group Ltd (ASX:ASQ) ASX Announcement “Completion of the purchase of Australian Kaolin Pty Ltd” Released on 1 July 2026.

Australian Silica Quartz Group Ltd (ASX:ASQ) ASX Announcement “Encouraging Preliminary Kaolin Testwork Results” Released on 29 July 2026.

Australian Silica Quartz Group Ltd (ASX:ASQ) ASX Announcement “White Swan Bulk Sample Ready for Customer Evaluation” Released on 20 October 2026.