Announcement Summary

Entity name

RAREX LIMITED

Announcement Type

New announcement

Date of this announcement

Thursday June 18, 2020

The Proposed issue is:

☑ A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +Security Code	+Security Description	Maximum Number of +securities to be issued
REE	ORDINARY FULLY PAID	42,013,500
REEAE	OPTION EXPIRING VARIOUS DATES EX VARIOUS PRICES	7,000,000

Proposed +issue date

Wednesday June 24, 2020

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

RAREX LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ABN

Registration Number

65105578756

1.3 ASX issuer code

REE

1.4 The announcement is

☑ New announcement

1.5 Date of this announcement

Thursday June 18, 2020

1.6 The Proposed issue is:

☑ A placement or other type of issue

Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 - Are any of the following approvals required for the placement or other type of issue?

- **+Security holder approval**
- **Court approval**
- **Lodgement of court order with +ASIC**
- **ACCC approval**
- **FIRB approval**
- **Another approval/condition external to the entity**

☑ No

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
☑ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?
☑ No

Details of +securities proposed to be issued

ASX +Security Code and Description

REE : ORDINARY FULLY PAID

Maximum Number of +securities proposed to be issued

42,013,500

Purpose of the issue

Placement to sophisticated and institutional investors

Offer price details for retail security holders

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.05000

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?
☑ Yes

Oversubscription & Scale back details

May a scale back be applied to this event?
No

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
Existing class

Will the proposed issue of this +security include an offer of attaching +securities?
No

Details of +securities proposed to be issued

ASX +Security Code and Description

REEAE : OPTION EXPIRING VARIOUS DATES EX VARIOUS PRICES

Maximum Number of +securities proposed to be issued

7,000,000

Purpose of the issue

Partial consideration for lead manager services

Offer price details for retail security holders

In what currency is the cash consideration being paid?

What is the issue price per +security?

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?
No

Oversubscription & Scale back details

May a scale back be applied to this event?
No

If some of the issued +securities do not rank equally

Is the actual date from which the +securities will rank equally (non-ranking end date) known?
No

Provide the estimated non-ranking end period

Upon conversion into ordinary shares

Please state the extent to which the +securities do not rank equally:

- **In relation to the next dividend, distribution or interest payment; or**
- **For any other reason**

The securities do not rank at all until conversion

Part 7C - Timetable

7C.1 Proposed +issue date

Wednesday June 24, 2020

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the issue under listing rule 7.1?

☑ No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

☑ Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

10,838,538 shares
7,000,000 options

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

☑ Yes

7D.1c (i) How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?

31,174,962

7D.1c (ii) Please explain why the entity has chosen to do a placement rather than a +pro rata issue or an offer under a +security purchase plan in which existing ordinary +security holders would have been eligible to participate

To enable the Company to make an expedient placement to raise funds

7D.2 Is a party referred to in listing rule 10.11.1 participating in the proposed issue?

☑ No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

☑ No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

☑ No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?
☑ Yes

7E.1a Who is the lead manager/broker?

Canaccord Genuity (Australia) Limited

7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

2% Management Fee
4% Capital Raising Fee
7,000,000 unquoted options exercisable at $0.085 each and expiring 11 October 2022

7E.2 Is the proposed issue to be underwritten?
☑ No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Part 7F - Further Information

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?
☑ No

7F.2 Any other information the entity wishes to provide about the proposed issue