ASX / MEDIA ANNOUNCEMENT **13 November 2020**

RareX raises $3.0M in strongly supported placement to advance WA Rare Earths Projects

Proceeds to be used to underpin imminent high-impact drilling at the exciting Weld North prospect and to advance the flagship Cummins Range Project to the next stage

Key Points

- **$3m share placement at 10c, strongly supported by existing and new investors**
- **Further assays expected shortly from recently-completed drilling at Cummins Range**
- **Work to commence on a Mineral Resource update for Cummins Range**
- **Drilling of the exciting Weld North carbonatite imminent**
- **Updates expected from ongoing drilling at the Trundle Copper-Gold Project, NSW**

RareX Limited ("**RareX**" or "**the Company**") (ASX: REE) is pleased to announce that it has received firm commitments to raise $3.0 million (before costs) via a share placement to institutional, sophisticated and professional investors at A$0.10 per share with 30 million new fully-paid ordinary shares to be issued ("**Placement**").

RareX received strong support from existing institutional and professional investors for the capital raising, with Directors also showing strong support by collectively subscribing for $90,000 worth of shares in the Placement. The shares to be issued to the Directors will be subject to shareholder approval at a meeting to be convened in due course.

The new shares (excluding the shares to be issued to Directors) will be issued under the Company's existing placement capacity under ASX Listing Rule 7.1A. Settlement of the Placement is expected to occur on Friday, 20 November 2020 and the new shares will rank equally with the Company's existing shares on issue.

The proceeds of the placement will be used to fund the upcoming drilling program at the Company's Weld North Rare Earths Project; complete a Mineral Resource update, initial scoping studies and further exploration at the Cummins Range Rare Earths Project; and for general working capital purposes.

Canaccord Genuity (Australia) Limited acted as Sole Lead Manager and Bookrunner to the Placement.

Appendices 3B for the proposed issues of the Placement securities will follow this announcement.

Maiden Weld North drill campaign to commence shortly

RareX plans to commence its maiden drilling campaign in the coming weeks at its 100%-owned Weld North Rare Earth Project in Western Australia.

Weld North is defined by a circular magnetic anomaly target located entirely within the Company's Exploration Licence Application E38/3455, and is located 84km directly north of the Mt Weld carbonatite-hosted rare earth element (REE) deposit held by Lynas Corporation Limited (ASX: LYC).

RareX plans to undertake air-core drilling to test below the cover sequence, to determine whether the source of the magnetic anomaly is caused by a carbonatite intrusion, similar to Mt Weld, or a granitic intrusion. The circular shape and size comparison to Mt Weld indicates that the Weld North magnetic anomaly is highly prospective for a significant rare earths discovery.

Cummins Range exploration results to continue

RareX recently completed 6,143m of drilling at its 100%-owned Cummins Range Rare Earth Project in Western Australia, which represented the first modern exploration at Cummins Range in over a decade.

Cummins Range is located 130km south-west of Halls Creek in the East Kimberley Region of Western Australia and is one of two known rare earth deposits bearing carbonatites in Australia, the other being Mt Weld held by Lynas Corporation.

Cummins Range has an existing JORC 2012 Inferred Resource of 13Mt at 1.13% TREO with 22.1% NdPr. Assaying ongoing with results awaited from a further 38 holes.

RareX Managing Director Jeremy Robinson said: "*We are delighted by the strong support for this capital raising, which has introduced a number of new shareholders to the register and will see the Company well placed to accelerate our rare earth exploration and development programs.*

"Investors can look forward to a news-flow-rich period for RareX with the potential to deliver numerous catalysts that could well and truly re-rate the stock.

"We are very much looking forward to testing the Weld North Project, which shows some compelling early-stage similarities to Lynas Corporation's Mt Weld rare earths deposit, which underpins one of the world's highest-grade rare earth mines.

"Air-core drilling is set to commence at Weld North before the end of the year, providing our first real insight into the source of the large-scale magnetic anomaly and its potential to host a significant new discovery.

"In addition, the funds will also be used to progress our Cummins Range rare earths project, including the delivery of an updated Mineral Resource Estimate and the commencement of

initial Scoping Studies. Further news-flow on this front is imminent, with outstanding assays from the recently completed drilling expected over the next 2-3 weeks."

This announcement has been authorised for release by the Board of RareX Limited.

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Competent Person's Statement

The information in this report that relates to Mineral Resources was reported to the ASX on 26 May 2020. The Company confirms that it is not aware of any new information or data that materially affects the information included in the announcement of 26 May 2020 and that all material assumptions and technical parameters underpinning the estimate continue to apply and have not materially changed.