RARE X

Exploring and developing rare earths projects in Australia

Plus, high-potential copper-gold exploration in NSW

Investor Presentation, December 2020 | Jeremy Robinson, Managing Director



ASX REE

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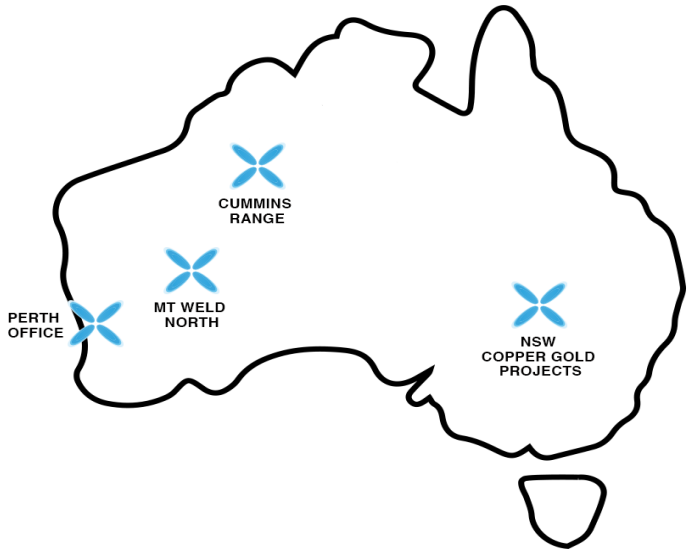
Competent Person Statement: The information in this presentation relating to the Mineral Resource estimate for the Cummins Range Rare Earths Project is extracted from the Company's ASX announcement entitled '*Globally Significant Maiden Resource of 13Mt at 1.13% TREO'* as updated by the ASX announcement entitled '*Update to Mineral Resource Estimate Announcement',* both released on 15 October 2019. REE confirms that it is not aware of any new information or data that materially affects the information included in the previous announcements and that all material assumptions and technical parameters underpinning the Mineral Resource estimate in the previous announcements continue to apply and have not materially changed. The exploration results contained within this presentation have been released to the ASX and the Company confimrs that it is not aware of any new information which materially change these results.

This presentation has been authorised for release by the Managing Director of RareX Limited. For further information, please contact Jeremy Robinson, Managing Director, on 08 6143 6720.

Investment Overview

- **Strategically located asset**: 100%-owned Cummins Range Rare Earths Project in Western Australia – Tier-1 mining jurisdiction
- **Significant maiden JORC 2012 Rare Earths Mineral Resource**: Inferred Resource of **13Mt at 1.13% TREO with 22.1% NdPr**
- First Assays received up to **70m at 5.4% TREO and 0.64% Nb_2O_5**
- **Rare Earths Prices up strongly in recent months**
- **High-quality exposure to Lachlan Fold Belt exploration**: via 35% stake in Trundle Project with Kincora Copper (RareX owns 7.8% of Kincora)
- **100%-owned Project at Orange East**: 15km along strike from 2Moz McPhillamys Gold Project with strong geological similarities





A Rare Earth explorer and developer with significant exposure to copper-gold exploration in the world-class Lachlan Fold Belt of NSW

ASX REE

Corporate Snapshot

Capital Structure	
ASX Code	REE
Share Price (7th December 2020)	$0.13
Shares on Issue	408m
Market Capitalisation	$53.0m
Net Cash	$5.0m
Listed Investments (14.95m TSXV:KCC)	$1.5m
Enterprise Value	$46.5m

Board and Management	
Chairman	John Young
Managing Director	Jeremy Robinson
Non-Executive Director	Shaun Hardcastle
Non-Executive Director	Cameron Henry
Exploration Manager	Guy Moulang
Consultant Metallurgist	Gavin Beer
Consultant Geophysicist	Jayson Meyers

Shareholders	
Top 40 Shareholders	42%
Number of Shareholders	3,839

Share Price



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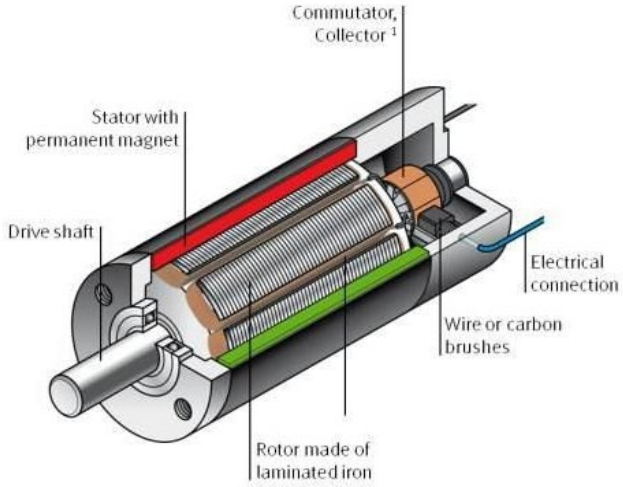
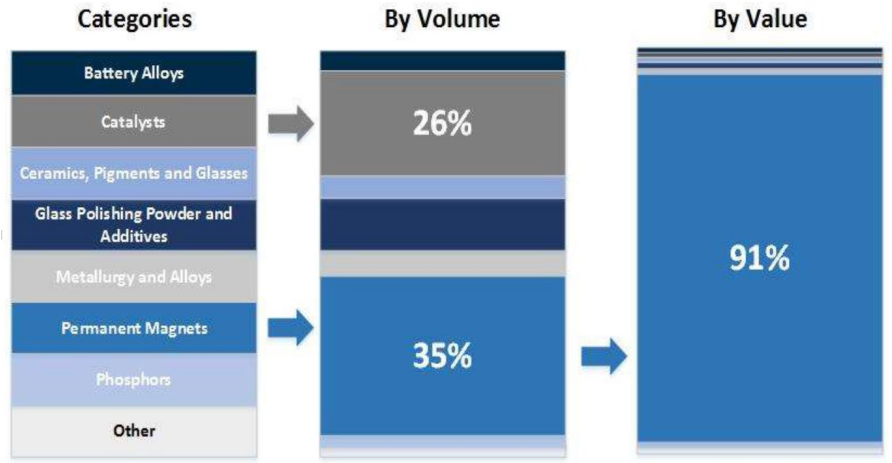
Rare Earth Elements

- Rare Earths are a group of 17 elements essential to the new world economy – grouped into Light Rare Earth Elements (**LREE**) and Heavy Rare Earth Elements (**HREE**)
- RareX is focused on the production of LREE's Neodymium-Praseodymium (**NdPr**) which are critical to the manufacture of Neodymium-Iron-Boron (**NdFeB**) Rare Earth Permanent Magnets (**REPM**) which contain approximately 32% NdPr



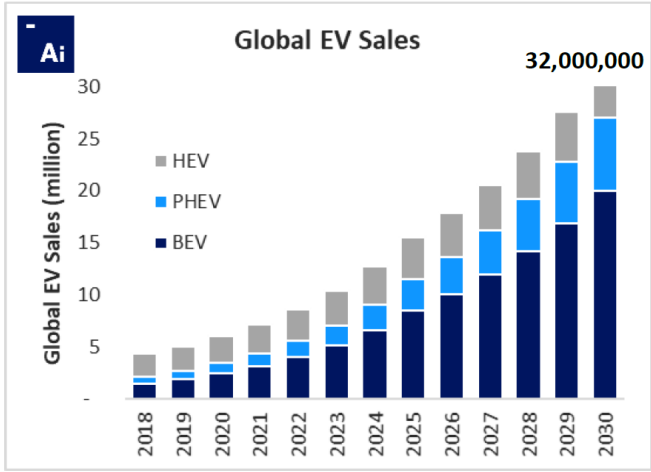


Source: Adamas Intelligence

Rare Earth Permanent Magnets (REPMs)

Electric Vehicles

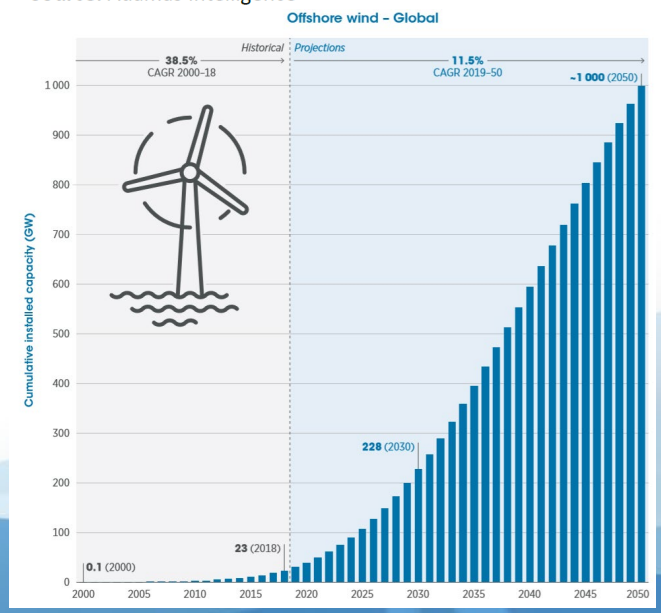
- Whatever the type of EV (BEV, HEV PHEV) or the power source (Li Batteries, H Fuel Cells etc) they all use REPM motors.
- Each EV requires approximately 1kg to 2kg of REPM which form part of an EV's electric motor. EV sales are expected to grow from 3m to 32m by 2030.



Source: Adamas Intelligence

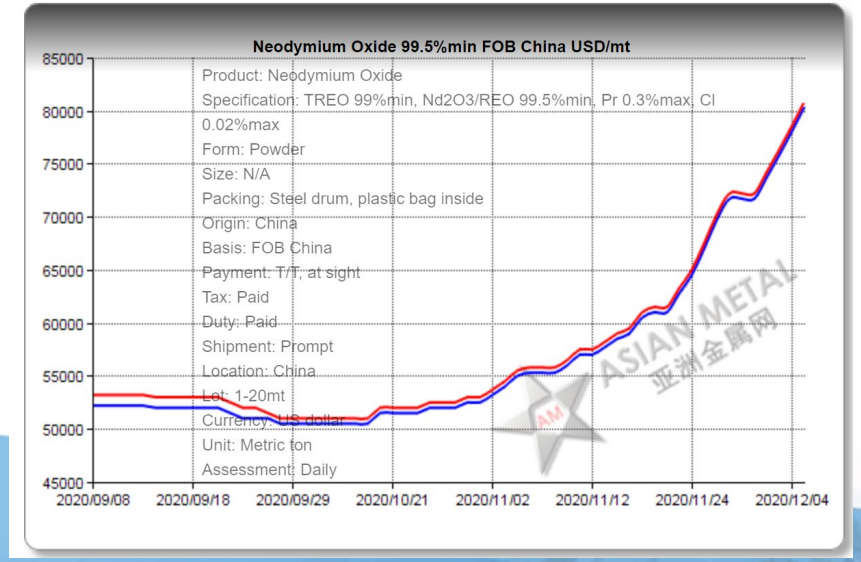
Wind Turbines

- Wind power and Solar power set to dominate the renewable energy economy as cost effective mass deployable technologies.
- Wind power historically dominated by onshore capacity now increasingly moving to offshore capacity as turbines become larger and more efficient. Offshore has greater use of REPM's compared to onshore.
- Each MW of direct drive REPM wind turbine capacity contains 600kg of REPM containing 200kg of NdPr.



Rare Earths Market

- China dominates production of rare earths and rare earth magnets, historically accounting for 80% of global production and representing a strategic weakness for the United States of America
- Prices are rising sharply



SMALL CAPS

HOT TOPICS LATEST TOP STOCKS SECTORS IPOs TOOLS VIDEOS PODCA

China sends warning it can cripple US defence system by turning off rare earths tap

*By **Robin Bromby** - October 28, 2020*



Lockheed Martin a
China

GLOBAL TIMES

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China's export law gives teeth to national security

By GT staff reporters Source: Global Times Published: 2020/10/18 18:18:40

US' long-arm jurisdiction against Chinese firms can be fought: analysts



rare earth Photo:VCG

SMALL CAPS

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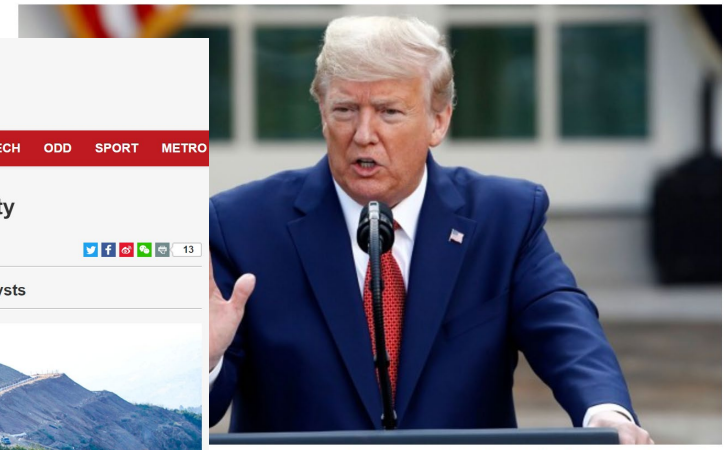
Trump declares rare earth emergency, Australia gets ready to supply

*By **Robin Bromby** - October 2, 2020*



supply rare earth elements to the United States after US
ld Trump signalled a national REE supply emergency.

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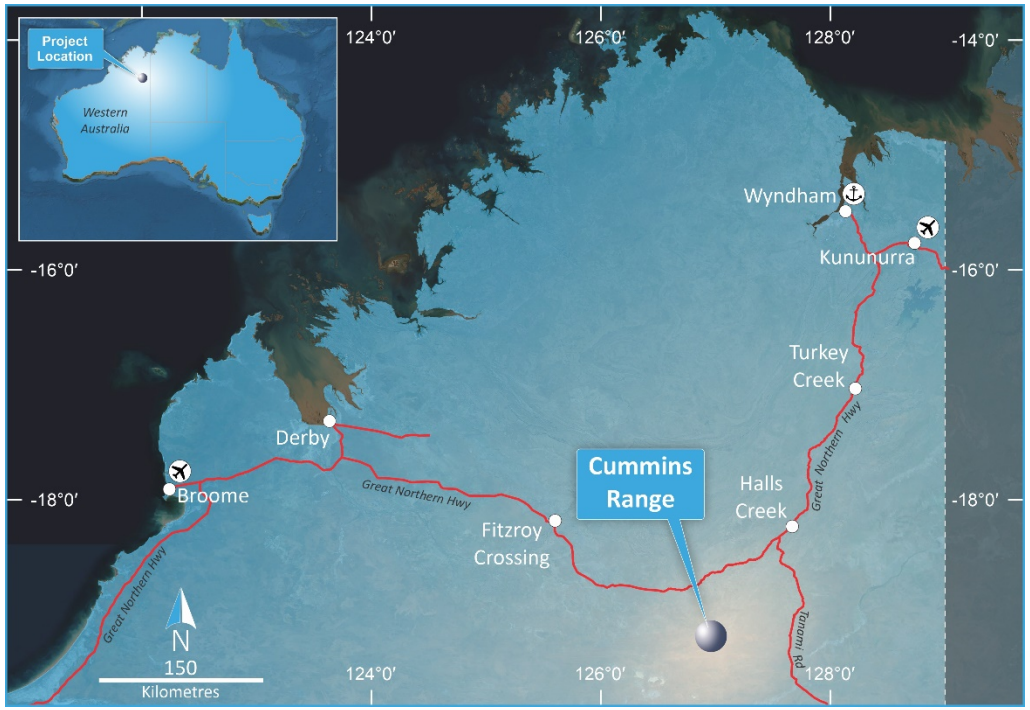
Cummins Range Rare Earths Project

- **Tier-1 mining jurisdiction**: Located in the Kimberley region of Western Australia
- **Airstrip and township nearby**: 130km from Halls Creek Township and Airstrip.
- **Good access**: Accessible via Great Northern Highway, Tanami Track and pastoral tracks.
- **Established mining district**: Located near Northern Minerals' Browns Range Rare Earth Mine and Pantoro's Nicholson's Gold Mine
- **Port Facilities**: Potential access to Wyndham and Darwin Ports



Advanced, high-quality Rare Earths Project located in a Tier-1 mining jurisdiction

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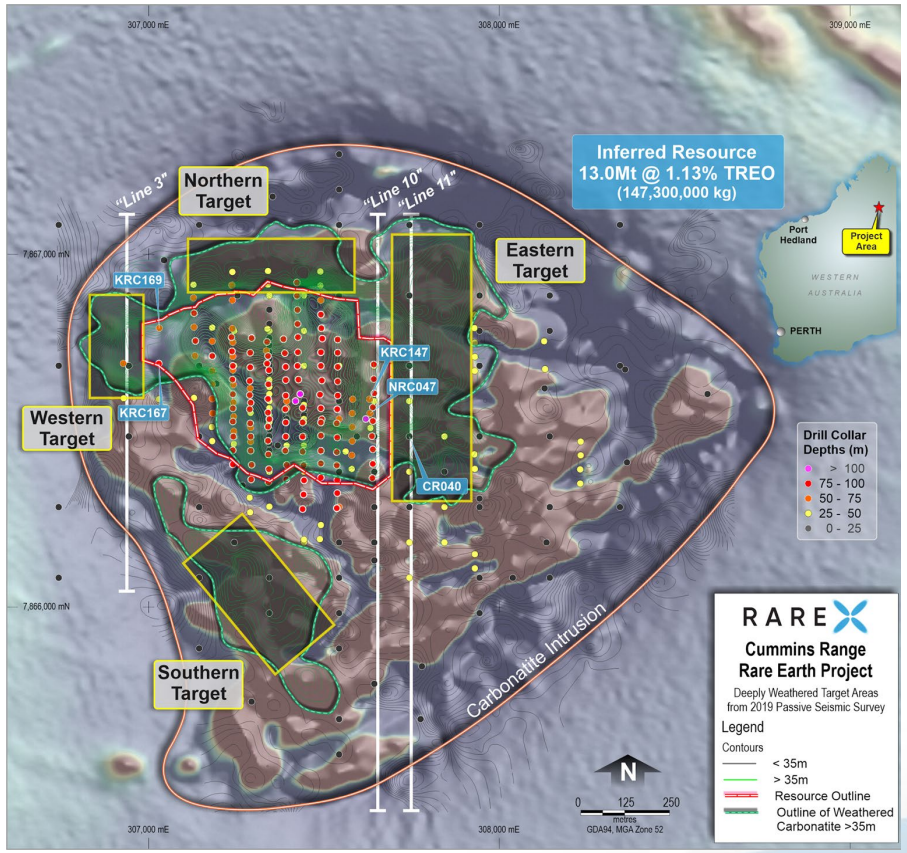
Substantial Maiden JORC 2012 Resource

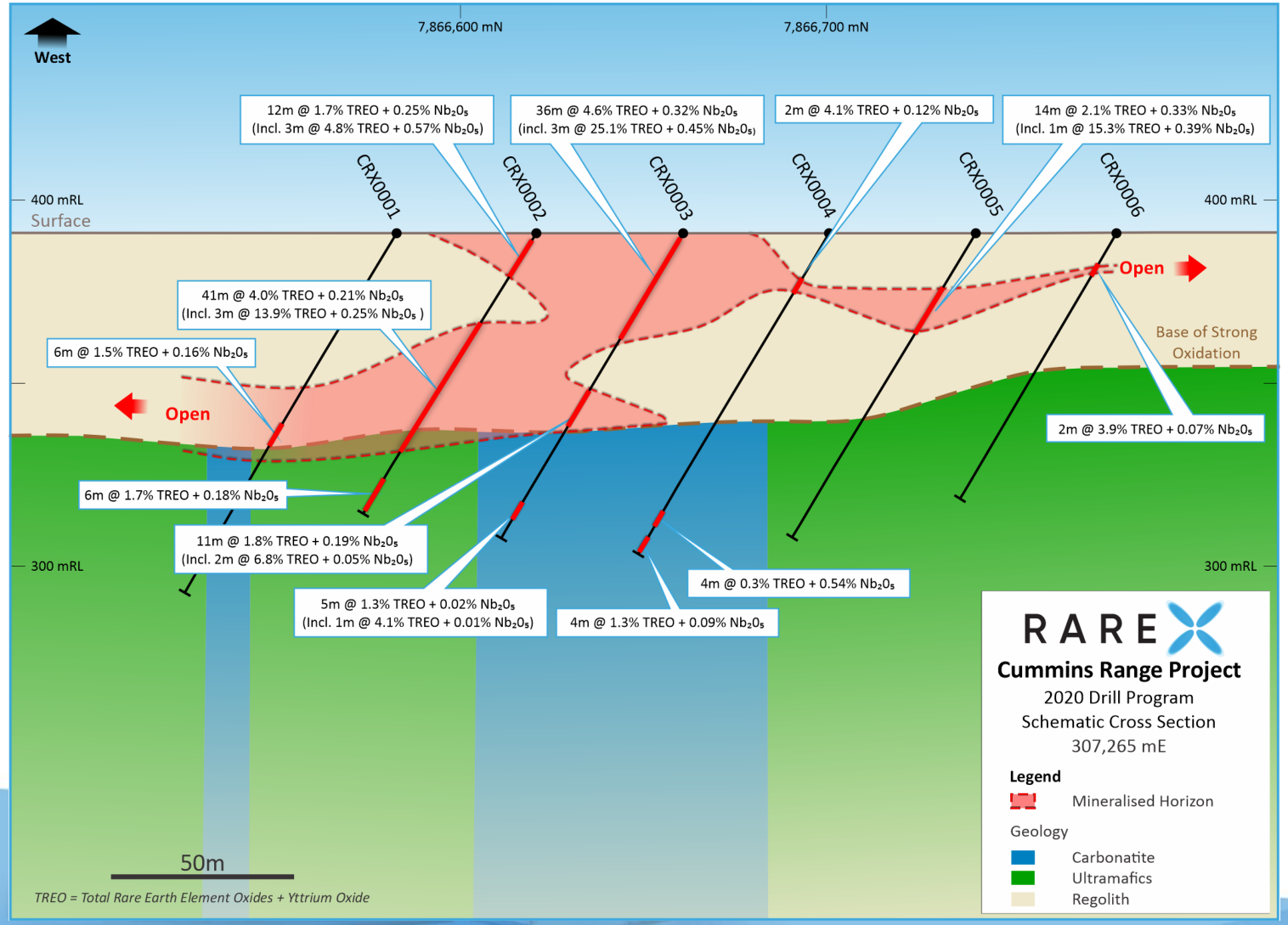
- Significant maiden JORC 2012 Inferred Resource of **13Mt at 1.13% TREO** released 15 October 2019
- Neodymium and Praseodymium **"NdPr" content of 22.1%** and ultra low thorium of 50ppm ThO_2 equals premium product
- **Weathered carbonatite** with REE mineralisation mostly hosted within laterite horizon (same at Mt Weld)
- **Deposit outcrops** and has dimensions amenable to **low strip ratio open pit mining**
- **Recently completed 6,143m of drilling**

Cummins Range Inferred Mineral JORC 2012 Resource		
Tonnes (Mt)	Grade (TREO)	TREO (kg)
13.0	1.13%	147,300,000



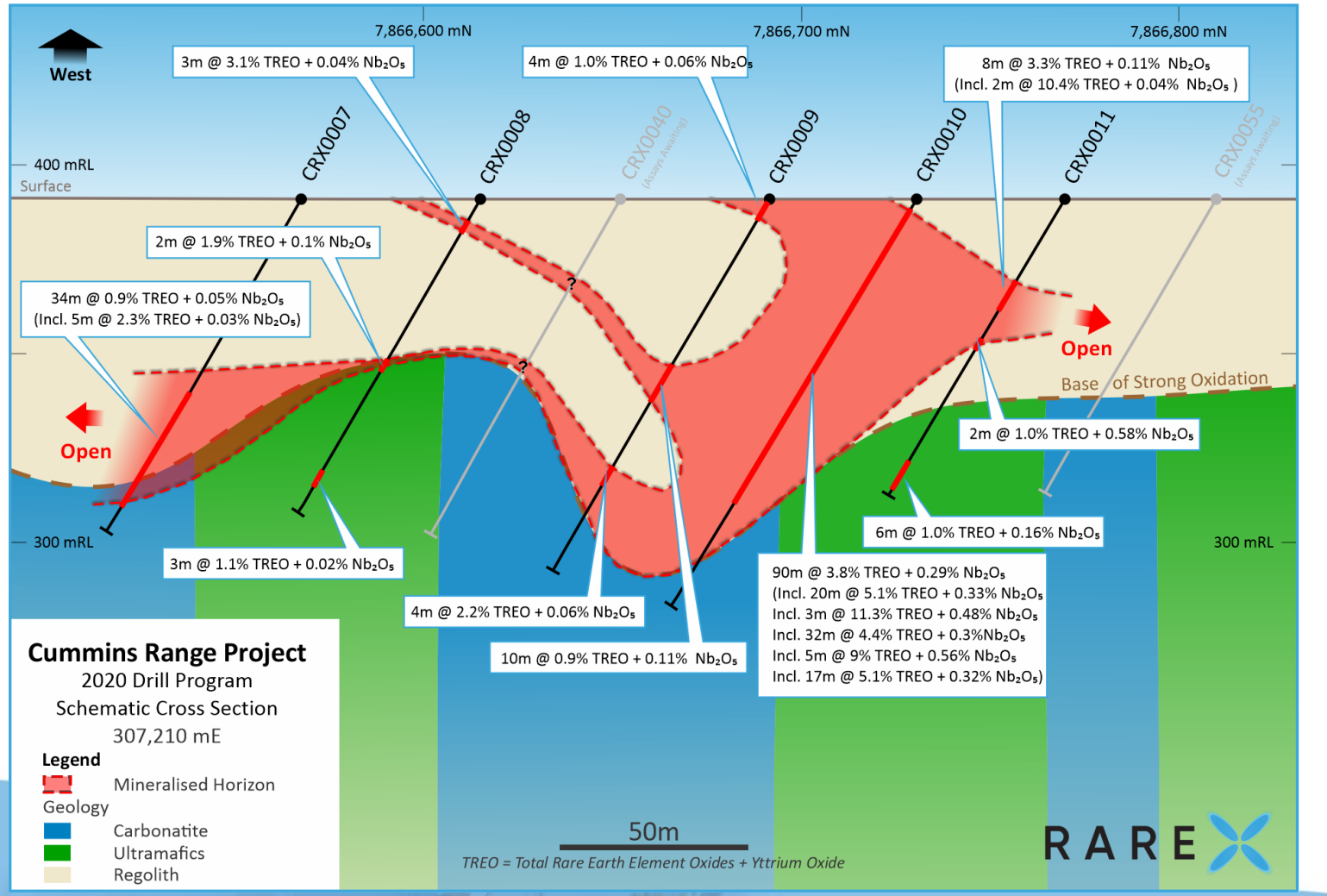
ASX REE

Recent High Grade Drill Results



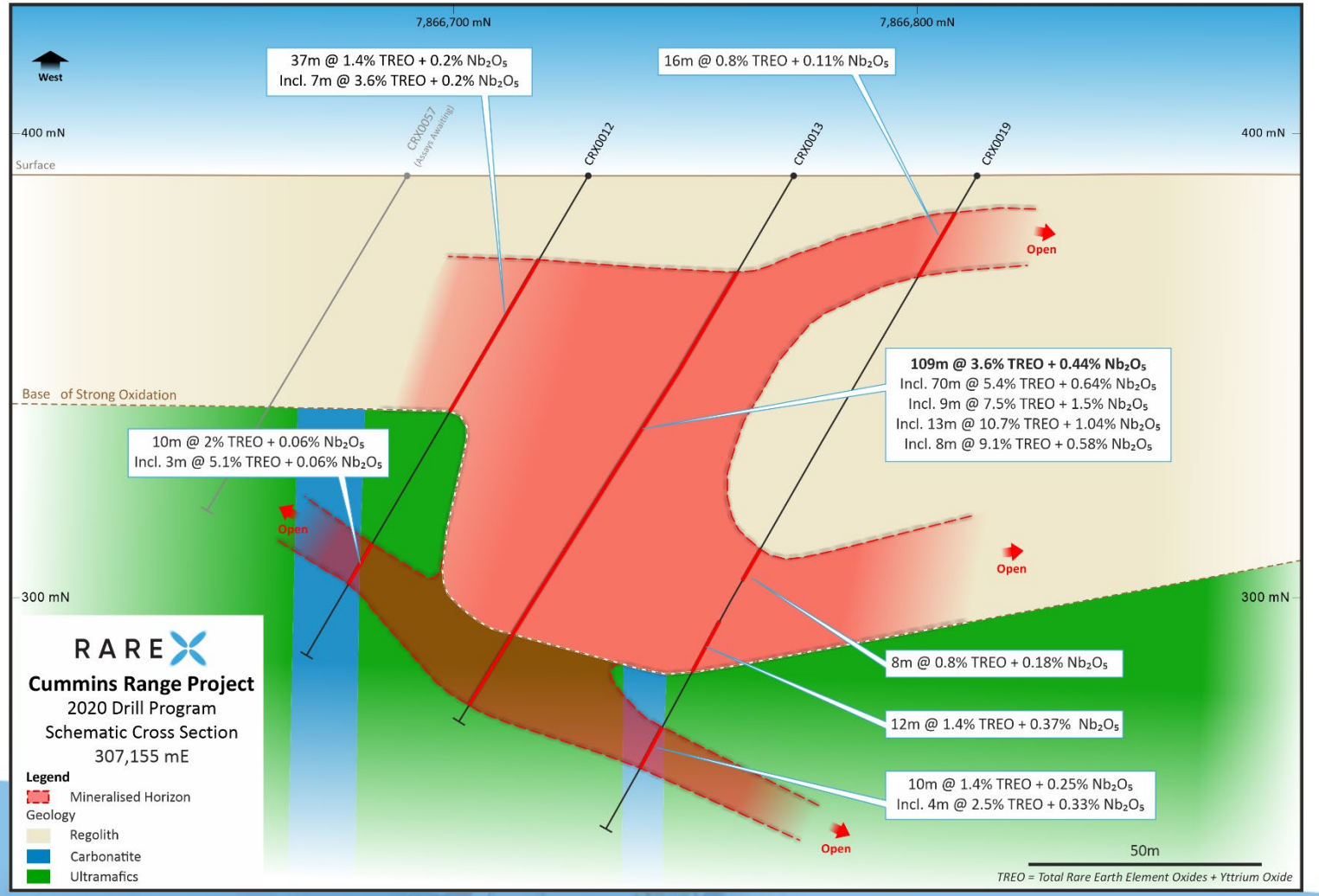
- **36m at 4.6% TREO and 0.32% Nb_2O_5** from surface
  - Inc **3m at 25.1% TREO and 0.45% Nb_2O_5**
- **41m at 4.0% TREO and 0.21% Nb_2O_5** from surface
  - Inc **3m at 13.9% TREO and 0.25% Nb_2O_5**
- Highlights potential for high grade starter pit

Recent High Grade Recent Drill Results



- **90m at 3.8% TREO and 0.29% Nb_2O_5** from surface
  - Inc **20m at 5.1% TREO and 0.29% Nb_2O_5**
  - Inc **3m at 11.3% TREO and 0.48% Nb_2O_5**
  - Inc **32m at 4.4% TREO and 0.30% Nb_2O_5**
  - Inc **5m at 9.0% TREO and 0.56% Nb_2O_5**
  - Inc **17m at 5.1% TREO and 0.32% Nb_2O_5**
- Demonstrates continuity of high north west trending grade channel

Recent High Grade Drill Results



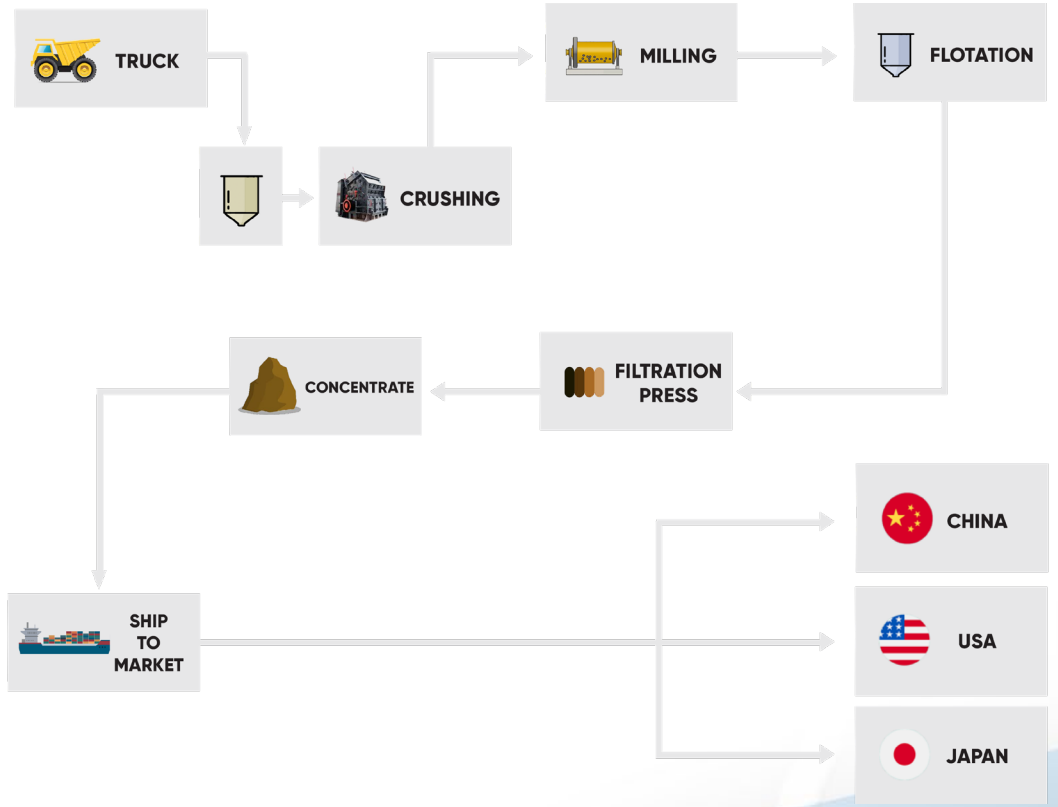
- **109m at 3.6% TREO and 0.44% Nb_2O_5** from surface
  - Inc **70m at 5.4% TREO and 0.64% Nb_2O_5**
  - Inc **9m at 7.5% TREO and 1.5% Nb_2O_5**
  - Inc 13**m at 10.7% TREO and 1.04% Nb_2O_5**
  - Inc 8**m at 9.1% TREO and 0.5% Nb_2O_5**
- Niobium represent potential highly valuable by-product – worth over 3 times rare earths basket price

Low Capital Strategy

- Rare Earth mineralogy dominated by monazite – the most well understood Rare Earth Mineral from a processing perspective
- **RareX consulting metallurgist Mr Gavin Beer to lead metallurgical testwork on completion of final assays**
- Strategy is to produce a saleable monazite concentrate to sell on an FOB / CIF basis to China – Working with Talaxis Group (subsidiary of Noble Group)
- **This approach will significantly reduce CAPEX**

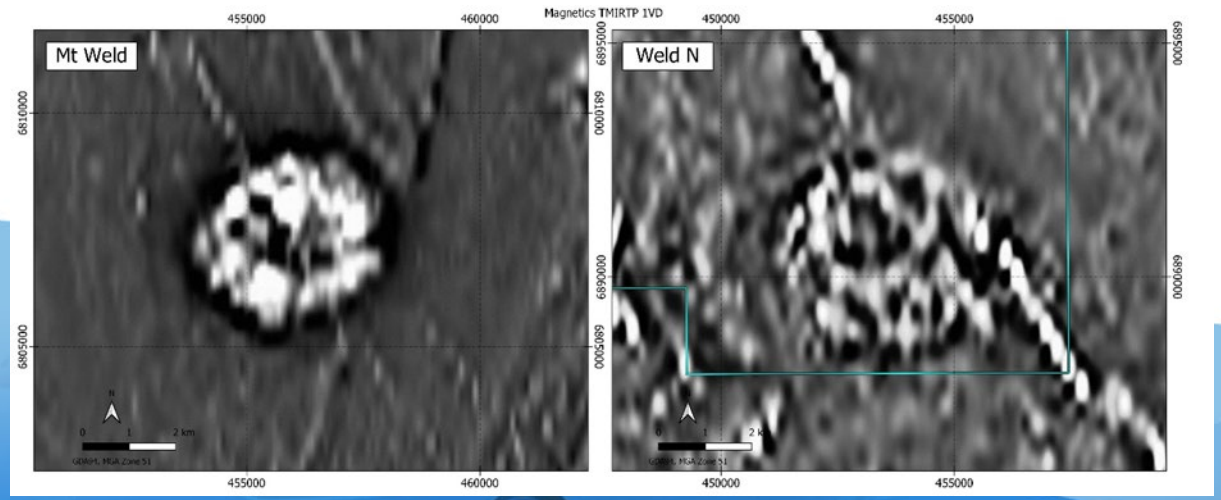
RareX has a low CAPEX development strategy for Cummins Range, based on production of a monazite concentrate

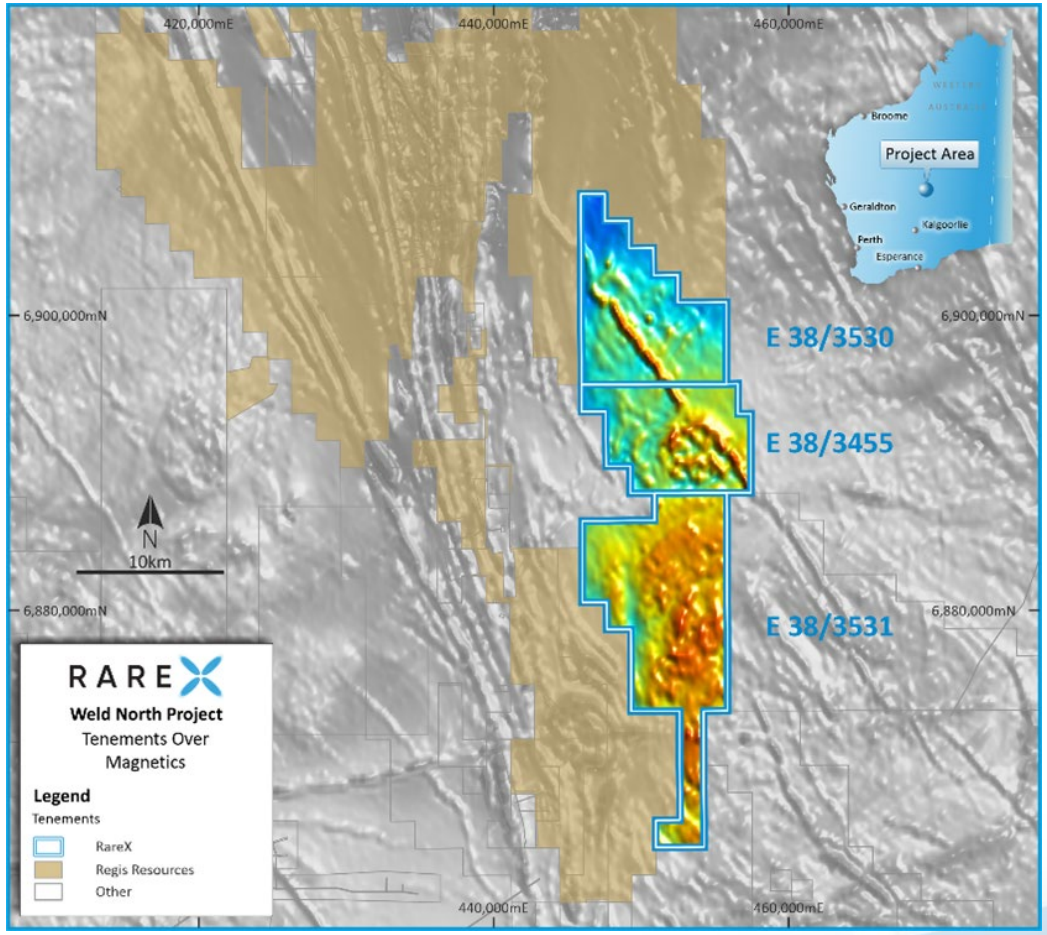
SIMPLIFIED FLOWSHEET



Exploration – Weld North

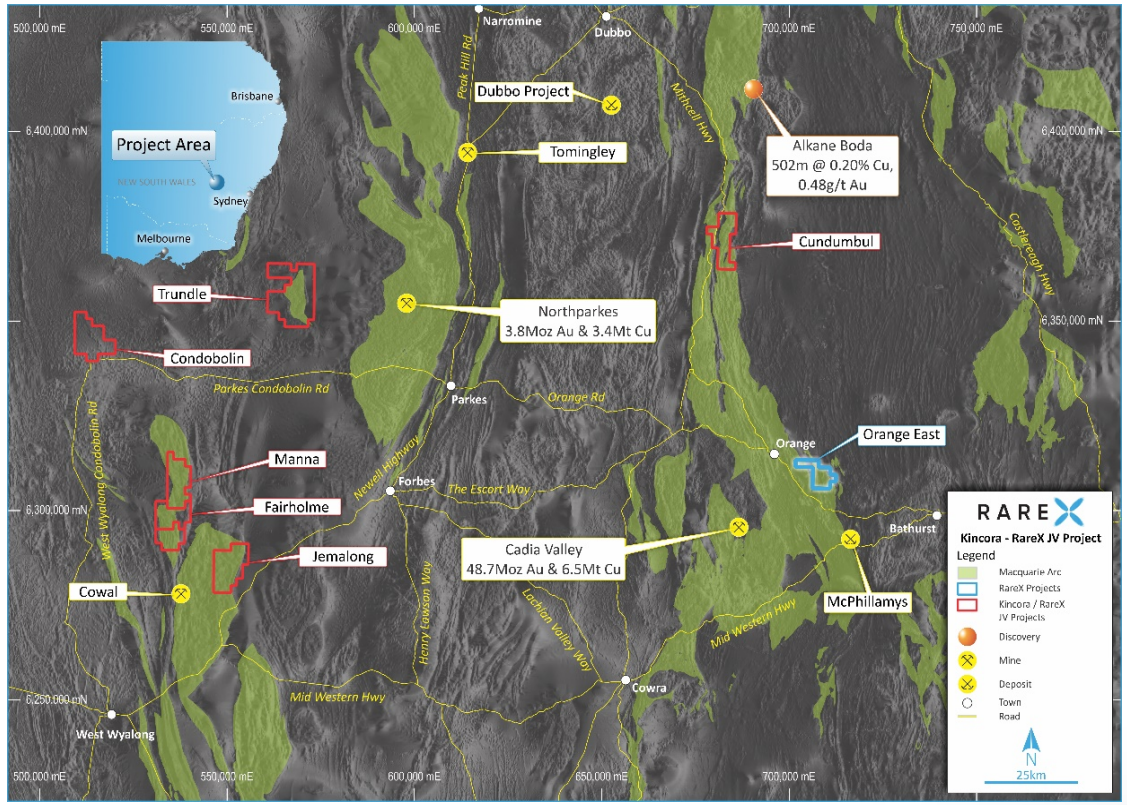
- **Exploration Underway**
- Contains a 5km wide airborne magnetic circular anomaly which RareX considers may be caused by an REE-bearing circular carbonatite intrusive complex
- Sits below regolith cover which masks the buried bedrock source for this magnetic anomaly
- Part of greenfields exploration strategy to discover another world-class rare earth carbonatite deposit in Australia





NSW Copper-Gold Assets

- **RareX retains a 35% free-carried interest** over multiple projects and owns 7.8% of TSX:V-listed Kincora Copper
- Kincora is currently completing successful 3,800m drill program at flagship Trundle project comprising six deep holes with **assays up to 51m at 1.17g/t Au and 0.54% Cu**
- Kincora recently raised C$5.3m capital **raise to fund a further 17-hole program at Trundle**
- Kincora exploration led by **John Holliday, principal discoverer of the world-class Cadia deposit**
- RareX recently retained **100% ownership of Orange East** Project



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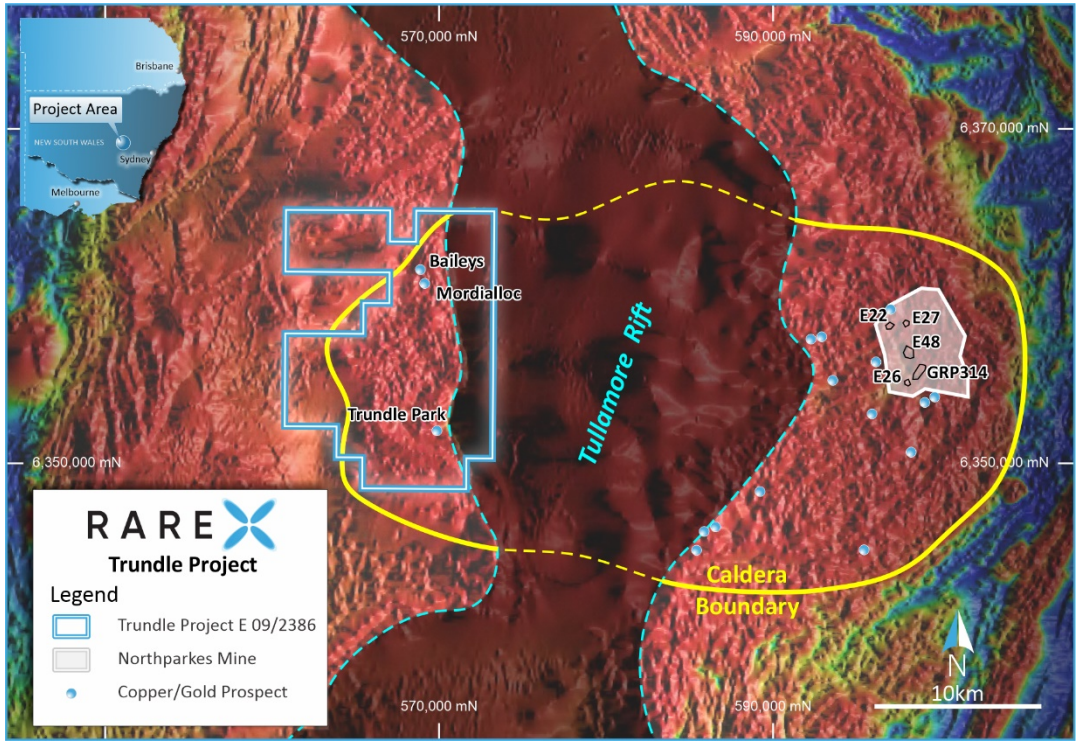
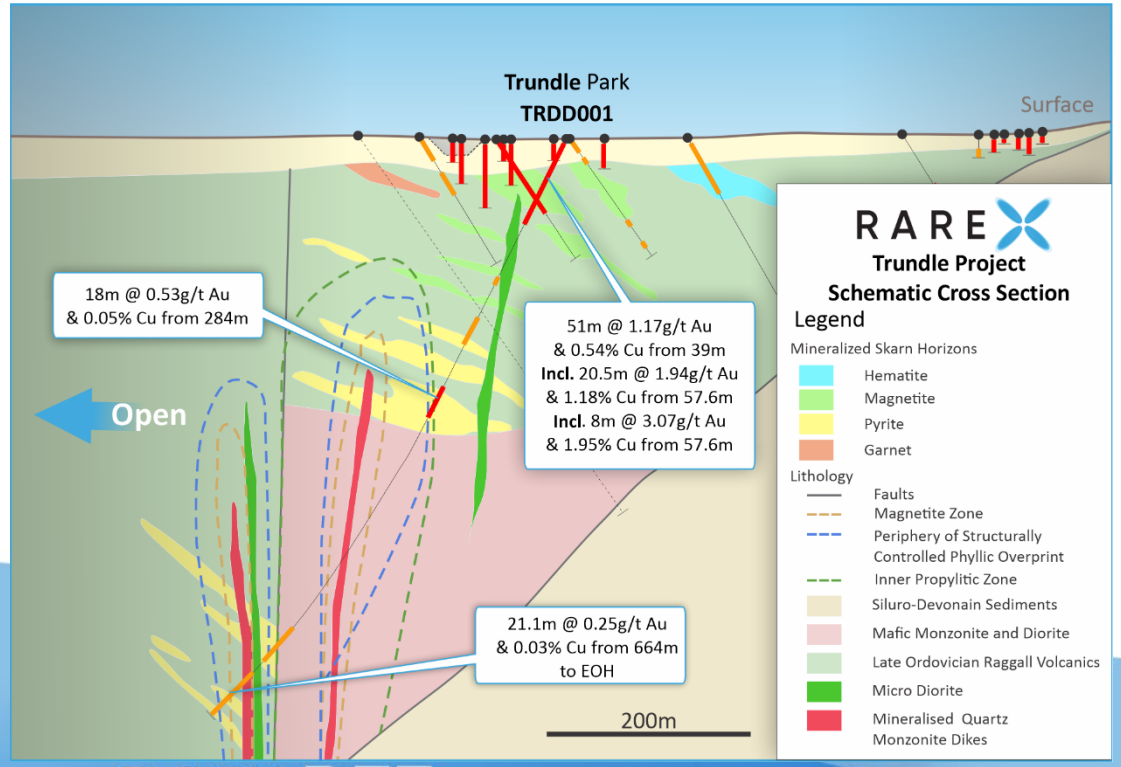
Trundle Project – 35% Free-Carried



- **The only brownfield porphyry project held by listed juniors in the Macquarie Arc**
- Trundle is the western section of the Northparkes intrusive complex, which hosts the second largest porphyry mine in Australia
- Exploration being driven by highly experienced team at Kincora Copper Limited led by John Holliday
- Confirmed similar geological settings/controls as Cadia and Northparkes, Australia's largest and second largest porphyry mines
- Seeking to discover a cluster of new porphyry deposits

Trundle Project – Trundle Park Target

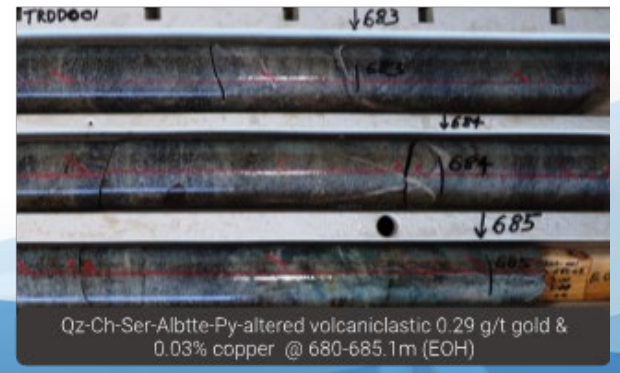
- Drilling at Trundle Park returning multiple intercepts in skarn
  - TRD001 – **51.0m at 1.17g/t Gold and 0.54% Copper** from 39m
  - TRD008 – **87.7m at 0.65g/t Gold and 0.19% Copper** from surface
- Similar in style to the Big Cadia skarn that is peripheral to the Cadia porphyry copper-gold




Native copper, chalcocite, chalcopyrite and black chlorite in skarn: 4.24g/t gold & 1.6% copper @ 60.6-61.6m


Coarse pyrite in skarn: 0.63g/t gold & 3.4% copper @ 64.1-65m


Qz-Ch-Ser altered skarn with patchy chalcopyrite and bornite: 2.44g/t gold & 0.20% copper @ 286-287m



Qz-Ch-Ser-Albtte-Py-altered volcaniclastic 0.29 g/t gold & 0.03% copper @ 680-685.1m (EOH)

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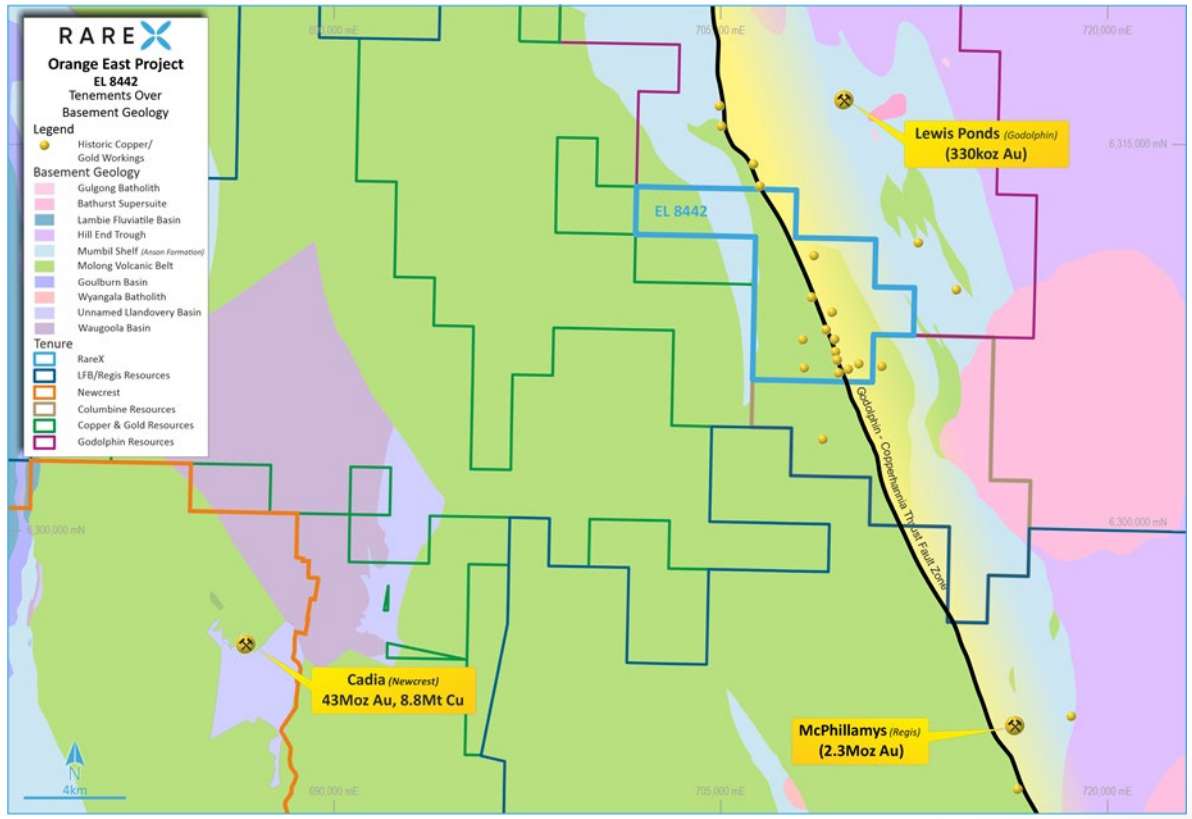
Orange East – 100% Owned

- Located ~15km along strike from Regis Resources' 2Moz McPhillamys Gold Deposit
- **Strong geological and geochemical similarities to McPhillamy's including:**
  - ✓ Both hosted in the Silurian volcaniclastic rocks of the Anson Formation adjacent to the GCFZ
  - ✓ Both have coincident Au-As-Ba-Bi-Pb-Cu-Mo-Te surface anomalies, with the Gunnarbee geochemical anomaly extending over an area ~1,000m north-south by 200m east-west
  - ✓ Both have K radiometric high anomalies
- **Gunnarbee Prospect never drilled**



Currently reviewing project data before planning next steps

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Key Investment Takeaways

- ✓ **High-quality, advanced Rare Earth Project in WA**
- ✓ **Recently completed major drilling program with significant assays**
- ✓ **Building a portfolio of high-quality Rare Earth assets**
- ✓ **Significant exposure to NSW porphyry copper-gold exploration**
- ✓ **100%-owned NSW gold exploration project in Tier-1 address**

With a $50.0m market capitalisation, strongly leveraged to exploration success and growth on two fronts



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