ASX / MEDIA ANNOUNCEMENT **23 April 2020**

DRILLING UNDERWAY AT BROWNFIELD TRUNDLE PROJECT LACHLAN FOLD BELT

HIGHLIGHTS

- **Trundle Project is the only brownfield project held by a listed junior in the Lachlan Fold**
- **Located within the same mineralized complex as the Northparkes Copper-Gold Mine Australia's second largest porphyry mine in Australia's foremost porphyry belt**
- **Trundle hosts the inferred westerly rift of the Northparkes Igneous Complex**
- **Raggatt volcanics at Trundle are the stratigraphic equivalent to the Goonumbla volcanics that host the deposits at Northparkes**
- **92% of historical drilling at Trundle Project has been limited to 50 metres depth**
- **Deeper core drilling commenced to test three large and mineralized porphyry targets**
- **Potential for multiple new high-grade porphyry and skarn copper-gold discoveries**
- **First time testing the potential for an underlying porphyry source**



Figure 1: Rig operational at the Trundle Park target drilling a scissor hole to TPRC003 which returned 56m @ 0.88g/t gold, 0.35% copper and 3.7g/t silver, including 2m @ 20g/t gold, 6.97% copper and 81g/t silver 3, and for the first time testing the potential for an underlying porphyry source

RareX Limited (ASX: REE) (**RareX** or the **Company**) is pleased to advise that with its JV partner, Kincora Copper Limited (TSX-V: KCC) (**Kincora**), has commenced drilling at the Trundle Project, located in the Macquarie Arc of the Lachlan Fold Belt (**LFB**) in central west New South Wales.

Trundle is the only brownfield porphyry project held by a listed junior in the Macquarie Arc, Australia's foremost porphyry region. Trundle has excellent potential for new higher-grade porphyry and skarn copper-gold discoveries.

Kincora exploration is led by John Holliday (ex-Newcrest) who is the principal discoverer of Cadia (100% Newcrest), Australia's largest porphyry mine which is also located in the Macquarie Arc. The Trundle Project was previously owned by Newcrest (1990's & early 2000's) with no drilling below 200m depth.

A first phase drilling program is planned for six holes for 3,800 metres, testing three known mineralized targets seeking to discover a new cluster of porphyry deposits. Extensive porphyry and skarn-style copper-gold mineralisation and informal mining activities are associated with several Ordovician intrusive centres across the full Trundle license, which is located within a prolific mining and infrastructure district.

John Holliday, Chairman of Kincora's Technical Committee, and Peter Leaman, Senior Vice-President of Exploration, commented:

> *"Modern systematic exploration at Trundle has utilised industry leading Induced Polarisation survey's, including HPX's proprietary Typhoon system, and magnetic modelling which has been insufficiently followed up by drilling.*
>
> *Existing significant drill intersections supports vectoring to very compelling targets at three existing mineralised systems within a brownfield environment to Northparkes, Australia's second largest porphyry mine where five deposits are defined.*
>
> *We are very excited by the upcoming high impact and funded drilling program at Trundle."*

The Trundle Project

The Trundle Project is located 30km west of the China Molybdenum Company Limited (**China Moly**) operated Northparkes copper-gold project, which is Australia's second largest porphyry mine (behind Newcrest's Cadia, also located in the Macquarie Arc).

China Moly acquired an 80% interest in Northparkes from Rio Tinto in July 2013 for US$820 million (Sumitomo retaining a 20% minority interest) and has since undertaken a material expansion of production and extension of mine life.

Trundle hosts the inferred westerly rift of the Northparkes Igneous Complex with extensive evidence of porphyry and skarn-style copper-gold mineralisation across a 12.5km strike associated with Ordovician intrusive centres similar to the Northparkes and Cadia deposits and mines.

The Raggatt volcanics at Trundle are the stratigraphic equivalent to the Goonumbla volcanics that host the deposits at Northparkes.

Aeromagnetics illustrate key regional structures and geological features with the Trundle project located on the interpreted western rift of the Northparkes Igneous Complex within the Junee-Narromine Ordovician volcanic belt of the Macquarie arc.

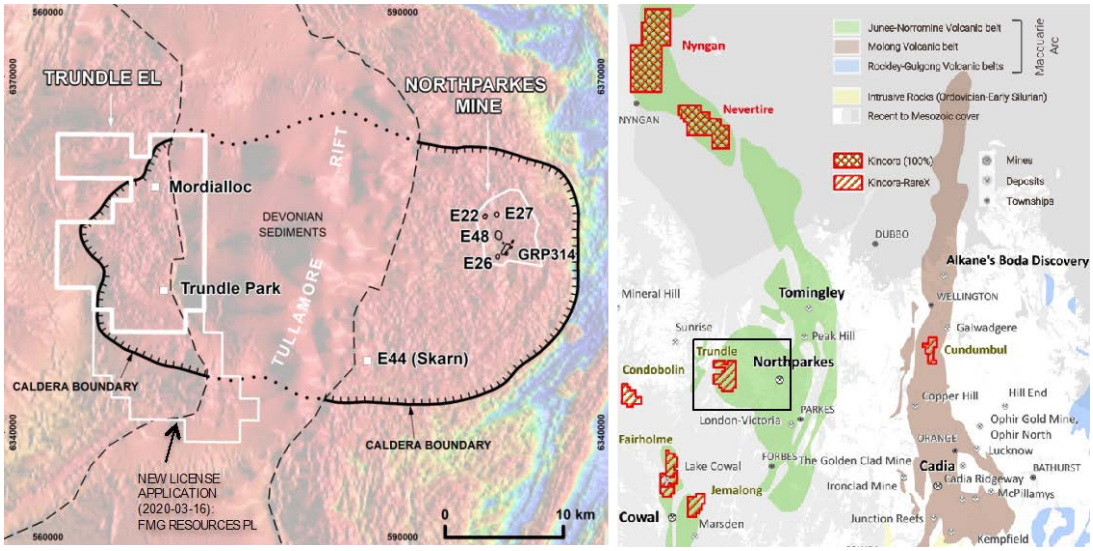

Figure 2: Trundle is the only brownfield porphyry project held by a listed junior in the Macquarie Arc, Australia's foremost porphyry region

Sealed and unsealed roads traverse most of the license area, which hosts the town of Trundle. On the adjacent western license sits Clean TeQ Holdings Limited's (**Clean TeQ**), Westella limestone development project associated with its flagship Sunrise nickel-cobalt-scandium battery materials complex located 30 km to the north-west – Figure 3.

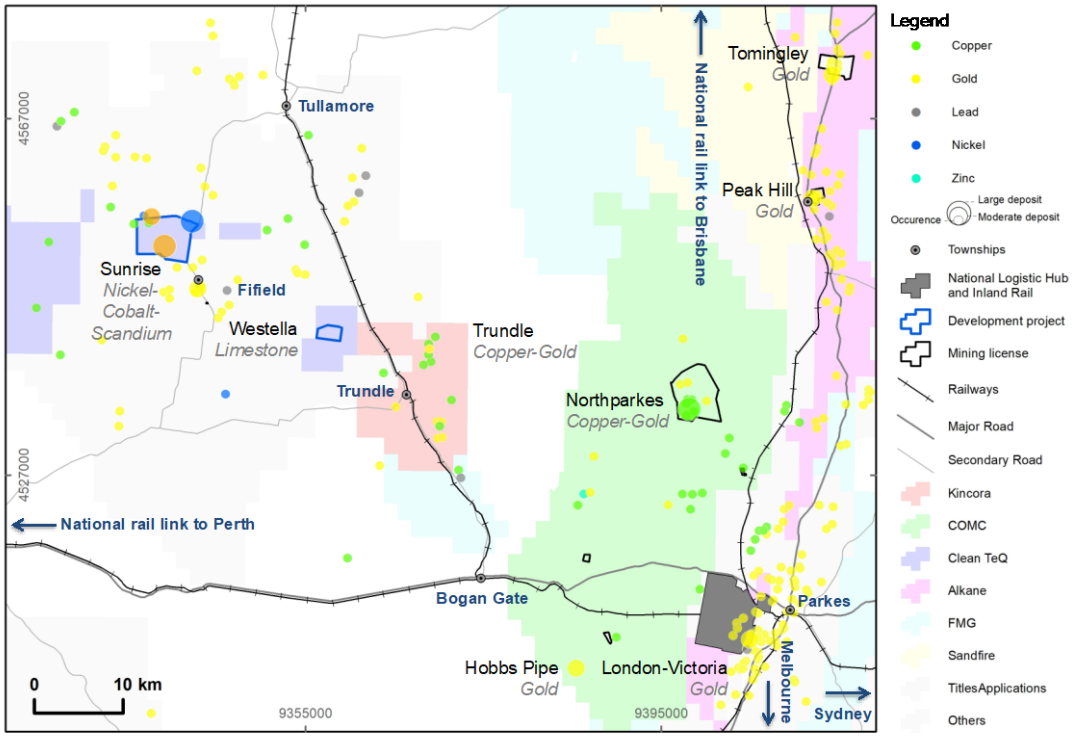

Figure 3: A prolific mining and infrastructure district

Trundle sits between Northparkes, Australia's second largest porphyry mine, and CleanTeQ's large, low cost, long life Sunrise development stage battery materials complex, and close to existing infrastructure.

At Trundle, surface geological mapping, geochemistry, magnetic, gravity and Induced Polarisation (**IP**) coverage, coupled with structural and basement interpretations have been positive, indicative of multiple levels and phases of large mineralised copper and gold systems.

Historic drilling has been shallow in nature with inadequate use of modern exploration techniques and target depth has been inadequate.

Over 92% of prior drilling has been to less than 50 metres depth with just 11 holes beyond 300 metres (0.5% of holes drilled). Existing significant drill intersections supports vectoring to very compelling targets at three existing mineralised systems that have not been drilled since industry leading Induced Polarisation survey's, including HPX's proprietary Typhoon system, and magnetic modelling.

Significant intercepts not followed up include:

- **60m @ 0.54g/t Au from 1m** [1]
- **56m @ 0.88g/t Au, 0.35% Cu from 34m, including:**
  - **2m @ 20g/t Au, 6.97% Cu and 81g/t Ag from 64m** [2]
- **39m @ 0.55 g/t Au, 0.14% Cu from surface** [3]
- **35m @ 0.55 g/t Au, 0.25% Cu from 12m** [4]
- **51m @ 0.58 g/t Au, 0.14% Cu from 33m** [5]
- **58m @ 0.44 g/t Au, 0.17% Cu from 22m , including:**
  - **4m @ 1.19g/t Au and 0.41% Cu from 28m** [6]

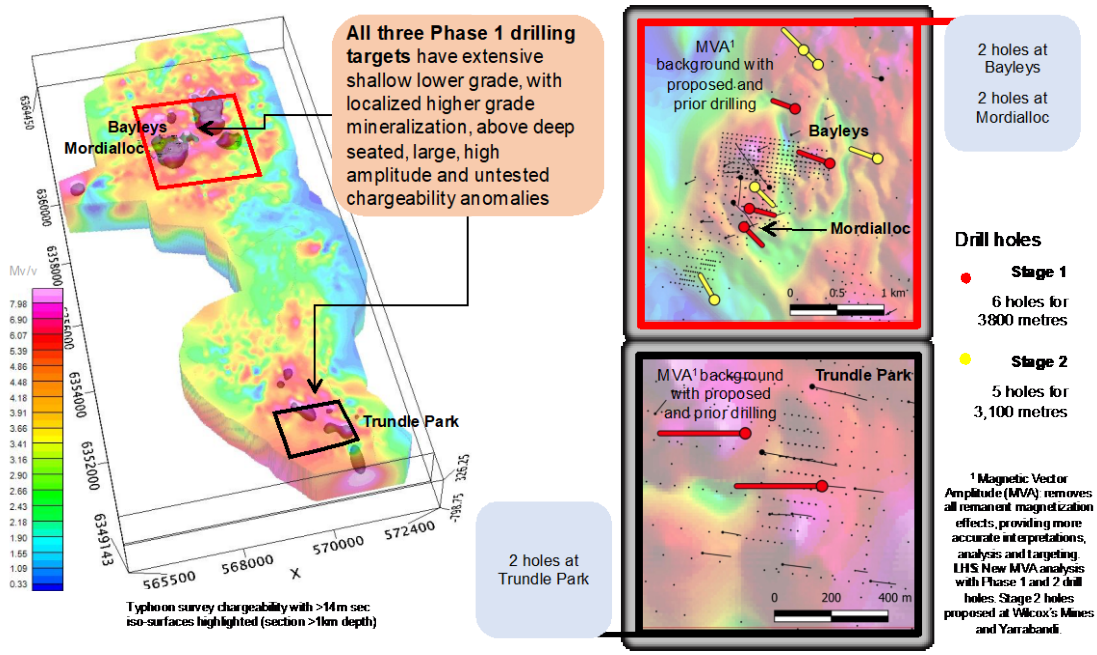

Figure 4: Kincora is drilling three fences at Trundle to test three known mineralized porphyry targets analogous to the five deposits at Northparkes

[1] RareX Limited (then Clancy Exploration) ASX Release dated 20th December 2010
[2] RareX Limited (then Clancy Exploration) ASX Release dated 28th February 2011
[3] RareX Limited (then Clancy Exploration) ASX Release dated 20th December 2010
[4] RareX Limited (then Clancy Exploration) ASX Release dated 20th December 2010
[5] RareX Limited (then Clancy Exploration) ASX Release dated 20th December 2010
[6] RareX Limited (then Clancy Exploration) ASX Release dated 28th February 2011

The Trundle Park Target

Drilling has commenced at the Trundle Park Prospect (which sits within the southern portion of the Trundle Project license) where prior activities have intersected very high-grade localised zones within a large lower grade skarn magnetite skarn, similar in style to the Big Cadia skarn that is peripheral to the Cadia porphyry copper-gold deposits.

No drilling has tested below these mineralised holes where geophysics and relogging of historic drilling has indicated proximity to a porphyry source. Encouragingly the prior drilling provides vectors and supports subsequently defined underlying geophysical at shallow to moderate depth targets.

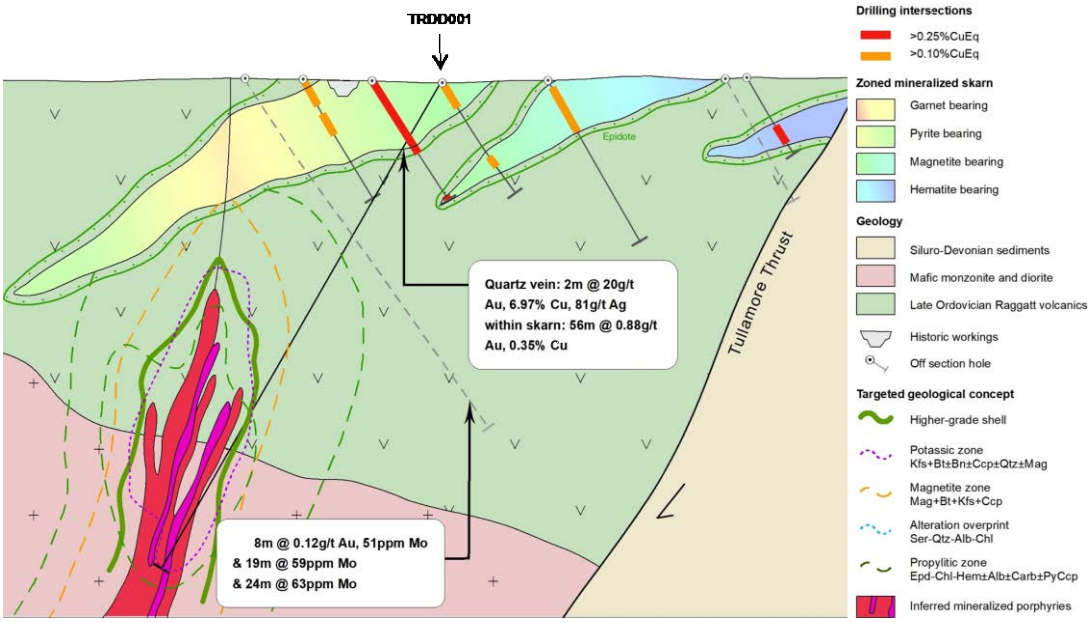

Figure 5: Geological concept for the Trundle Park target: Shallow drilling has intersected higher-grade material at the top of an interpreted preserved porphyry

The Mordialloc Target

Metal grades at the Mordialloc target are comparable to the peripheral parts of the Northparkes deposits with improving grades down hole and open. Prior drilling has returned porphyry quartz-sulfide veins overprinted by phyllic alteration adjacent to porphyrtic monzonite stock in a region with informal small-scale mining from the early 1900's when shafts were developed on quartz chalcopyrite vein breccias.

One deeper diamond drill hole (CTD006, drilled in 2008) on the periphery of the subsequently defined chargeability high outer shell intersected 48 metres @ 0.15% copper, 0.12g/t gold and 41ppm molybdenum from 478 metres in a quartz monzonite porphyry. CTD006 ended in mineralisation with the grade profile improving as the hole approached the IP shell.

Similar to Alkane Resource's discovery at Boda, Kincora is diamond core drilling below previous holes with improving grades and open, but with the benefit of the subsequent to prior drilling industry leading IP and magnetic modelling.

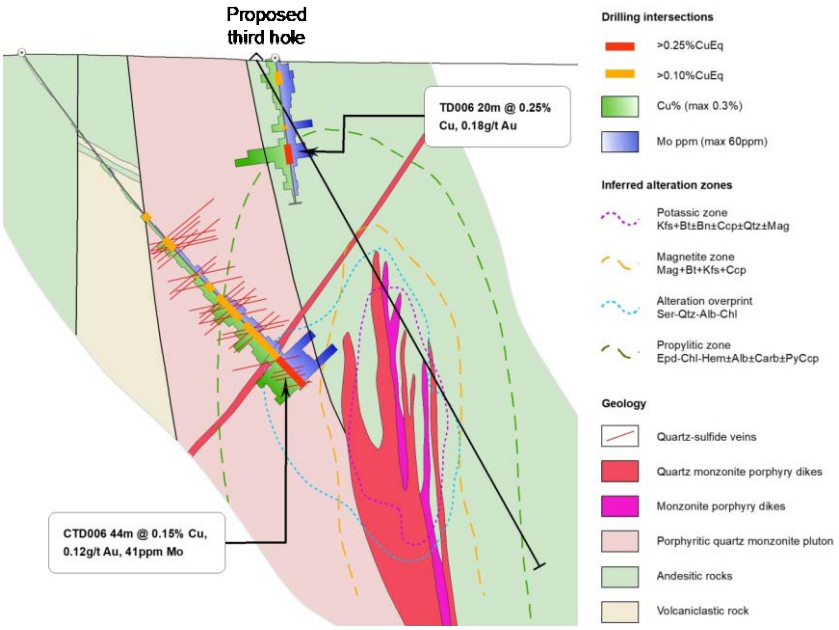

Figure 6: Geological concept for the Mordialloc target: Improving grade at end of hole coincident with deeper geophysical target

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

For further information, please contact:

Jeremy Robinson
Executive Director
Ph: 08 6143 6720

Competent person's statement

The Exploration Results in this announcement in relation to the Trundle Project was prepared and first disclosed under the JORC Code 2004. This information has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.