**ASX / MEDIA ANNOUNCEMENT** **29 October 2021**

# September 2021 Quarterly Activities Report

## HIGHLIGHTS

- **High-grade primary mineralisation intersected in multiple drill holes for the first time at Cummins Range, with assays awaited**
- **Extended diamond drilling program is ongoing, and is expected to run into December**
- **Scoping Study underway following the success of the current dill program, with leading industry experts being engaged**
- **Cosmos Exploration IPO set to launch early November following completion of successful Priority Offer to RareX shareholders**

## CUMMINS RANGE RARE EARTHS PROJECTS

During the Quarter, RareX Limited (ASX: REE; **RareX** or **the Company**) reported significant intercepts of primary mineralisation at its 100%-owned Cummins Range Rare Earths Project in the Kimberley Region of Western Australia, significantly expanding the potential scope and scale of the Project.

Multiple diamond holes were drilled along the main fault at Cummins Range, designed for both exploration and study test work purposes. Visual inspection of the drill core has exceeded RareX's expectations, with the initial holes intersecting wide mineralised breccia/fault zones and, more importantly, a significant zone of fresh mineralisation at the bottom of CDX0007. This represents the first time significant primary REE-Nb mineralisation has been intersected at Cummins Range.

Three drill holes (CDX0001, CDX0003 and CDX0004) were completed for mining studies, with CDX0004 intersecting a 67m fault breccia that had been previously interpreted from RC drilling as a well-mineralised saprolite zone that had rare earth elements upgraded via dispersion.

This fault breccia is located where a displacement fault is interpreted in the new geological model. Surrounding drill holes to CDX0004 are well mineralised, indicating that the fault breccia is the source of the REE mineralisation in this area. This presents strong exploration upside with a previously-unrecognised wide mineralised structure to test at depth.

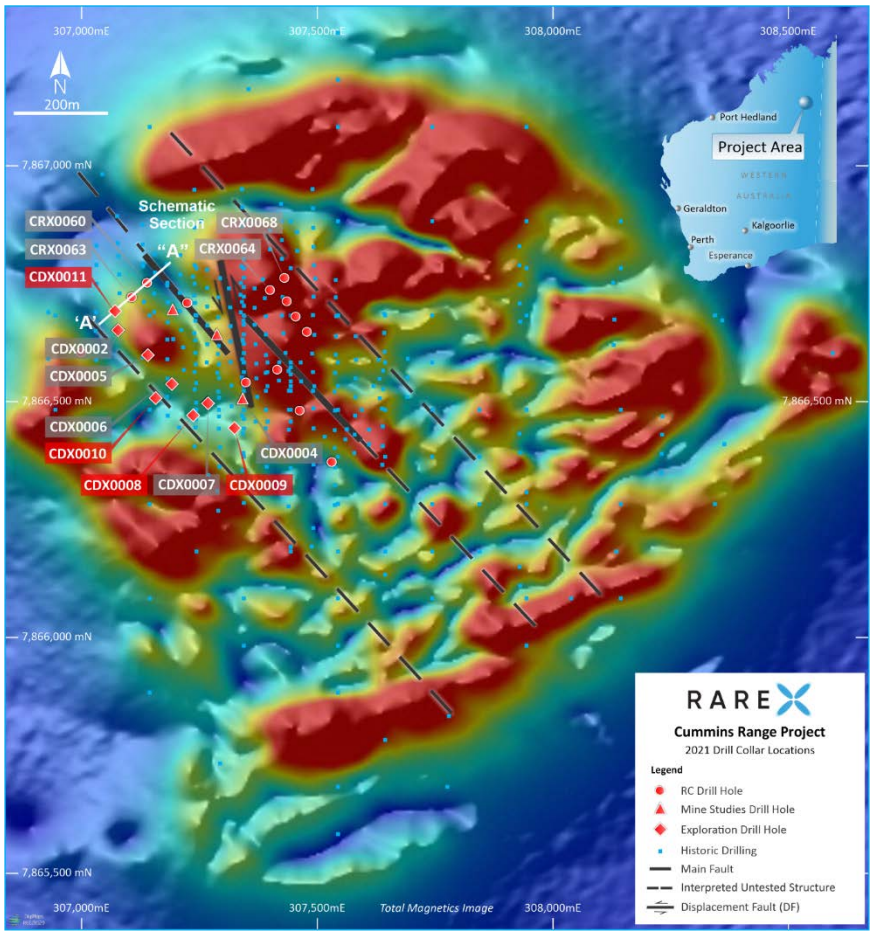



Figure 1: 2021 Drill Collar Location Plan, red boxes indicate the recent drill holes



Figure 2: CDX0004 Example of oxidized polymictic breccia

Four of the planned exploration drill holes (CDX0002, CDX0005 CDX0006 and CDX0007) were drilled (with CDX0002 being lost metres) before the expected Main Fault target. CDX0005 intersected carbonatite in the target area with sparse patchy massive monazite over 5m.

Hole CDX0006 intersected a 10m mineralised fault breccia on a carbonatite contact. Drill hole CRX0007 was drilled 75m east of hole CDX0004 and intersected 77m of fault breccia. This zone is interpreted to be part of the displacement fault intersected in hole CDX0004. The width and extent of the fault breccia between these two holes indicates a significant brittle breccia system with extensive alteration.



Figure 3: CDX0007 123.5m massive orange monazite forming on lower contact of a primary sulphidic carbonatite breccia within a larger 75m fault breccia

A further four diamond drill holes (CDX0008 to CDX0011) were then drilled to test for primary mineralisation. The additional holes are shown on the collar location plan in Figure 1.

Importantly, all four holes intersected primary mineralisation in shear or breccia zones over various widths as described below, providing further strong evidence of the potential to significantly expand the potential scope and scale of the Project.

Of greatest significance, hole CDX0011 intersected a 24m-wide strongly rare earth mineralised fault zone with common visible coarse-grained monazite, as shown in Figure 5.

CDX0011 was drilled to test down-dip of a high-grade intersection returned from Reverse Circulation (RC) drill hole CRX0063 during the Quarter, which intersected 41m at 2.4% TREO and 0.51% $Nb_2O_5$ including 10m at 4.1% TREO and 0.75% $Nb_2O_5$ (reported in ASX Announcement 9 September 2021).

CDX0011 is the westernmost diamond drill-hole completed to date and extends the primary Main Fault mineralisation to 120 vertical metres, which is amenable for extraction via open pit. Further drilling is planned both along strike and down-dip.

The continued success of the diamond drilling program further reinforces RareX's view that there is considerable potential to expand the Cummins Range deposit, with significant zones of high-grade primary mineralisation present over mineable widths.

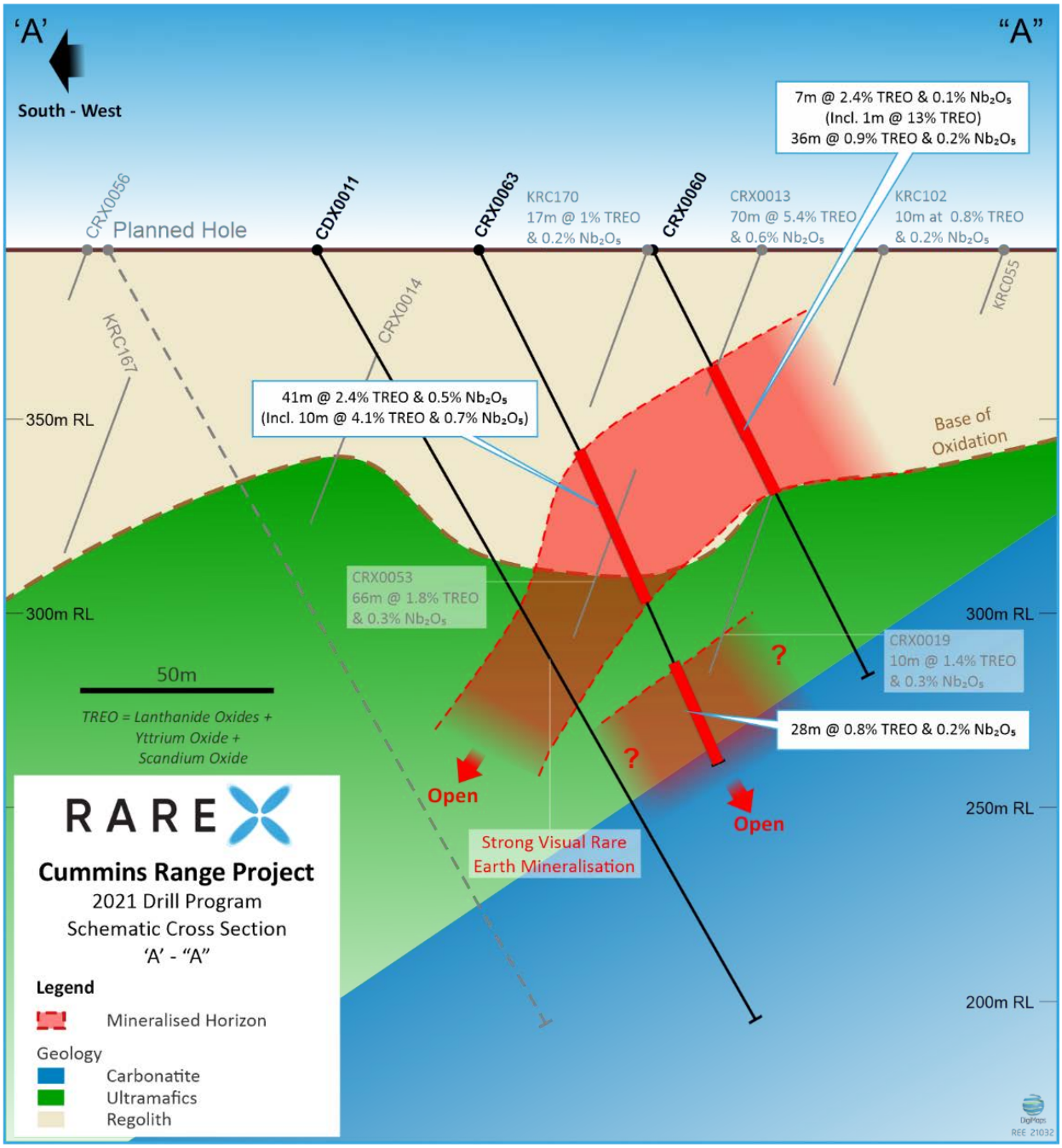



Figure 4: Schematic cross-section showing diamond drill-hole CDX0011

Hole CDX0008, which was drilled to test an area 40m south-west of hole CDX0007 (reported in ASX announcement 2 September 2021) intersected a 20m silicified fault breccia zone from 70m down-hole. Routine XRF analysis suggests that the breccia is anomalous in rare earths. The zone is weathered and likely correlates with the 77m wide zone seen in CDX0007.

Further down-hole common foliated and sheared areas were seen in carbonatite with localised visual monazite. The geometry of the mineralised structures around the interpreted displacement fault is currently unclear and requires further drilling.

Hole CDX0009 is the easternmost diamond drill-hole completed to date and was designed to test the fresh rock Main Fault position. A 10m silicified sulphidic carbonatite breccia was encountered from 30m down-hole, with confirmed rare earths mineralisation observed from XRF analysis.

In the Main Fault position, broad breccia and fault zones were seen with patchy fresh monazite mineralisation occurring at up to 15% monazite over 1m intervals.

CDX0010 was drilled to target the area down-dip of the 10m mineralised fault breccia intersected in hole CDX0006 (ASX announcement, 2 September 2021). The hole drilled through two intervals of fresh rare earth mineralisation, as confirmed by pXRF. The first is 4.9m of 10% coarse monazite from 115.1m. The second was a 20m mineralised sulphidic fault zone from 139m.



Figure 5: Zones of massive coarse monazite at Cummins Range

CDX0010 encountered massive patches of coarse green-brown monazite.

CDX0011 was drilled to test down-dip of the high-grade intersection in hole CRX0063 of **41m at 2.4% TREO and 0.51% $Nb_2O_5$ including 10m at 4.1% TREO and 0.75% $Nb_2O_5$** (see ASX Announcement 9 September 2021). The 24m strongly-mineralised fault breccia was intersected and has common disseminated to massive patches of monazite. The fault breccia also contains a milled matrix component (Figure 5) which has highly-anomalous rare earths from pXRF analysis and fine monazite banding as shown in Figure 4. This position has not been tested along strike to the north-west and drilling is planned in this area.

*Note: RareX has a Niton XRF on site that has been calibrated to Cummins Range mineralisation. The XRF analyses for 43 elements including Cerium, Lanthanum, Praseodymium, Neodymium,*

*Yttrium, Niobium and Phosphorus. The XRF is used as a tool to indicate whether a zone is mineralised, however it is not an accurate indicator of grade. With the XRF results, rock type and visual confirmation of mineralisation, the RareX geologist can assess whether an interval is mineralised.*

## Scoping Study Underway

Given the exciting results from Resource drilling during the Quarter, with deeper diamond drilling significantly expanding the mineralisation at depth, RareX is now targeting to release the Scoping Study for the Cummins Range Project in Q1 2022 to provide sufficient time to continue to develop the Resource and integrate this with metallurgy and processing design.

### Project strategy

The Scoping Study has been refined in scope to focus on the following key objectives in order to test the financial sensitivity and scale of a proposed facility:

1. Resource optimisation and geo-metallurgical modelling
2. Balanced metallurgical understanding
3. Product definition
4. Environmental approvals and impacts
5. Stakeholder engagement and social impacts

To support the Scoping Study, RareX has assembled a team of appropriately experienced consultants as shown in the table below. This team is capable of delivering the study, future and further defined studies and supporting project execution.

| Consultant | Scope |
|---|---|
| **Gavin Beer** | Rare Earth Element, metallurgical and general technical counsel |
| **Primero** | Lead consultant; process design and cost estimation |
| **METS Group** | Metallurgical program lead |
| **Mining Plus** | Pit design, pit optimisation mining method |
| **AMC** | Geo-metallurgical modelling |
| **Animal Plant Resources** | ESG integration, stakeholder engagement, approvals and permitting |
| **Advisian** | Hydrogeology |
| **PWC** | ESG integration |

## Resource optimisation and geo-metallurgical modelling

With the continuation of Resource drilling and the re-interpretation of the Resource, the scope of chemical, mineral and metallurgical investigations has increased.

The Resource is being re-defined with additional domains and, in conjunction with geo-metallurgical modelling, will allow for an improved understanding of metallurgical performance in each domain and sub-domain.

The integration of geological, geotechnical, mining, metallurgical, environmental and economic information will help maximize the Net Present Value (**NPV**) of the Project and can continually be applied and advanced to minimise future technical and operational risk.

## Metallurgical understanding

The metallurgical program – led by METS Group, with Gavin Beer as technical counsel and leading laboratories in support – has worked methodically through early testing.

The program for the Scoping Study must define likely metallurgical processing steps but is not designed to optimise recovery. The team will work to an optimal program for the stage of study and identify key development areas for subsequent phases.

## Product definition

The Cummins Range Critical Metals Project has an array of strategic metals within the Resource which are likely to add to the value-in-use of the product and may form discrete by-products in their own right. The product suite is notionally:

- Rare Earths Elements – principally Neodymium and Praseodymium
- Niobium
- Scandium

RareX has set out to define the simplest product that will facilitate a commercially viable project as a base case for project definition. To achieve this, the metallurgical and marketing teams are working together with potential off-taker requirements.

Feedback on technical viability and pricing is iterated into the plant design to confirm the base case. From this platform the team will be able to optimise the product specifications with additional plant facilities, principally by way of upgrade modules, to produce the preferred product.

## Environmental approvals and impacts

RareX is defining a clear pathway for approvals, permitting and stakeholder engagement which is of particular importance in the Kimberley and with the Jaru as Traditional Owners. The Project is likely to remain entirely within Western Australia and will be assessed within the framework of WA legislation as well as being considered under the Commonwealth *Environmental Protection and Biodiversity Conservation Act 1999*.

The Project area is on relatively flat, open shrubland and tussock grassland, within the Kimberley and within a Native Title Determination Area. Hydrogeological investigations are underway and baseline investigations across social and environmental aspects have been scoped and made ready for investigation early in 2022.

### Stakeholder engagement and social impacts

The regional stakeholders have been identified and a stakeholder engagement roadmap is being developed. The nearest community is Billiluna (population c. 150) and, when possible, the project team has been prioritising recruitment from this community, other local communities and the Halls Creek township.

RareX continues to have positive engagement with the Kimberley Land Council (KLC), the Jaru and with the station owners in the Project area as well as a number of key stakeholders including shire councils and industry groups along the likely supply chain between the Project site and Wyndham Port.

RareX is operating under a Native Title Heritage Protection and Mineral Exploration Agreement with the KLC in relations to Jaru lands (**Agreement**).

The Agreement provides a cooperative framework under which the Company can conduct activities on tenements granted on Jaru land and provides for community benefits to the Jaru people.

Additionally, and following on from the release of the RareX ESG Framework[1], activities on site are monitored to develop a baseline from which the Company can establish improvement initiatives to further integrate with local communities and to reduce adverse the environmental and social impact of the Project at any given development stage.

## NSW COPPER-GOLD PROJECTS

The Trundle Gold-Copper Project Joint Venture Project, located in the Macquarie Arc of the Lachlan Fold Belt in NSW, Australia, is a 65%/35% joint venture between RareX and Kincora Copper Ltd (**Kincora**) (TSXV: KCC).

During the Quarter, Kincora reported significant gold-bearing intervals at Trundle Park including assay results for hole TRDD022, which returned significant broad mineralised intervals, strongly indicating proximity to the core of a large porphyry intrusive system and providing vectors for recently commenced follow-up drilling. TRDD022 intersected 162m at 0.24g/t gold and 0.04% copper from 670m, including 46m at 0.54g/t gold and 0.08% copper from 684m, and 18m at 0.75g/t gold and 0.09% copper from 712m.

TRDD026, the follow up scissor hole to TRDD022 was also drilled and intersected broad zones of porphyry-style intrusions, with assay results currently pending.

1 ASX Announcement 8 September 2021: *RareX releases its ESG Framework*

## COSMOS EXPLORATION IPO (CX1)

During the Quarter, RareX undertook preparations for the spin-out and IPO of its non-core Byro East Nickel-Copper-PGE Project (**Byro East**) and Orange East Gold Project (**Orange East**) into a new ASX-listed company, Cosmos Exploraton.

RareX and Cosmos signed a Demerger Implementation Deed (**DID**) on 23 August 2021 to give effect to the proposed spin-out. Pursuant to the DID, RareX will transfer to Cosmos 100% of its legal and beneficial interest in the Byro East tenements and 75% of its legal and beneficial interest in the Orange East tenements (**Sale Assets**), with RareX retaining a 25% interest to be free-carried until completion of a Bankable Feasibility Study.

Cosmos will issue 10 million fully-paid ordinary shares and pay $80,000 in cash to RareX (as reimbursement of expenditure incurred by RareX) in consideration for the Sale Assets.

In conjunction with the spin-out, Cosmos will make an application for admission to the Official List of the ASX and seek to raise no less than $5 million via an Initial Public Offering of 25 million shares at an issue price of $0.20 (**Cosmos IPO**). Existing RareX shareholders were invited to participate in the Cosmos IPO on a priority basis.

RareX will retain exposure to the upside potential of the Sale Assets through its direct equity holding, allowing it to focus on the development and exploration of its flagship Cummins Range Project.

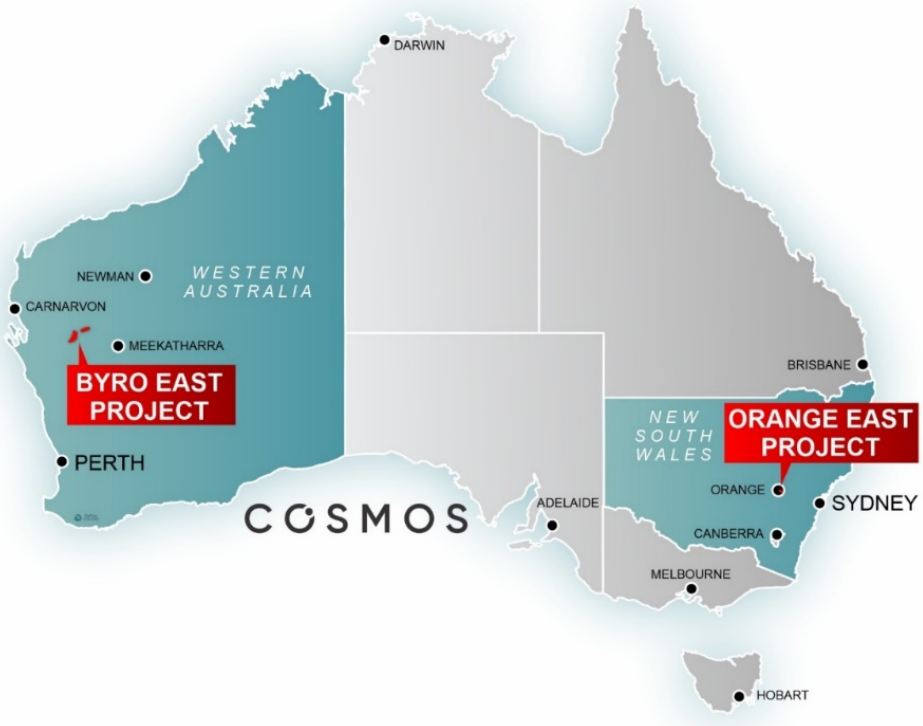



Figure 6 – Project locations, Australia

## MOROCCAN COBALT PROJECTS

No work was undertaken on the Moroccan projects during the Quarter.

## LEOGANG PROJECT, AUSTRIA

No work was undertaken on the Austrian projects during the Quarter.

## BUSINESS DEVELOPMENT

RareX continues to assess complementary projects for its portfolio in the critical minerals space.

## CORPORATE & FINANCE

The Company remains well funded to meet its commitments with $5.7m in cash and listed investments at the end of the Quarter including its investments in Kincora Copper Limited and Canada Rare Earths Company valued at $2.5m.

This Quarterly Report has been approved for release by the Board of RareX Limited.

**For further information, please contact:**

Jeremy Robinson
Managing Director

**Competent Person's Statement**
The exploration results in this announcement were reported by the Company in accordance with listing rule 5.7. The Company confirms it is not aware of any new information or data that materially affects the information included in the previous announcements. The mineral resource estimates in this announcement were reported by the Company in accordance with listing rule 5.8 on 19 July 2021. The Company confirms 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 estimates in the previous announcement continue to apply and have not materially changed.

## Appendix 1: RareX Limited Interests in Mining Tenements

The following information is provided pursuant to Listing Rule 5.3.3 for the quarter ended 30 September 2021. During the quarter, the Company regained a 100% interest in the Hong Kong Project (EL 47/3566) (previously 30%). There were no disposals during the quarter.

| Australian Tenement Schedule | | | | |
|---|---|---|---|---|
| State | Project | Lease No | RareX interest | Note |
| WA | Cummins Range | E80/5092 | 100% | |
| WA | Cummins Range Extension | E80/5372 | 100% | Application |
| WA | Byro | E09/2386 | 100% | |
| WA | Byro | E09/2387 | 100% | |
| WA | Byro | E09/2408 | 100% | |
| WA | Byro | E09/2409 | 100% | |
| WA | Byro | E09/2443 | 100% | Application |
| WA | Byro | E09/2525 | 100% | Application |
| WA | Byro | E09/2527 | 100% | Application |
| WA | Weld North | E38/3455 | 100% | |
| WA | Weld North | E38/3530 | 100% | |
| WA | Weld North | E38/3531 | 100% | |
| WA | Mt Mansbridge | E80/5430 | 100% | |
| WA | Hong Kong | EL 47/3566 | 100% | |
| NSW | Condobolin | EL 7748 | 35% | |
| NSW | Cundumbul | EL 6661 | 35% | |
| NSW | Fairholme | EL 6552 | 35% | |
| NSW | Fairholme | EL 6915 | 35% | |
| NSW | Trundle | EL 8222 | 35% | |
| NSW | Jemalong | EL 8502 | 35% | |
| NSW | Orange East | EL 8442 | 100% | |

| Austrian Tenement Schedule – Leogang - RareX First Priority | | | |
|---|---|---|---|
| Designation | Reference Meridian | Cadastral Municipalities | |
| | | Centre in the Cadastral Municipality | Other Cadastral Municipality Concerned |
| 51/17/S (CLY-LEOG-003) | M 31 | Schwarzleo | |
| 56/17/S (CLY-LEOG-008) | M 31 | Schwarzleo | Sonnberg, Pirzbichl |
| 57/17/S (CLY-LEOG-009) | M 31 | Schwarzleo | Grießen |
| 58/17/S (CLY-LEOG-010) | M 31 | Schwarzleo | Grießen |
| 64/17/S (CLY-LEOG-016) | M 31 | Schwarzleo | Grießen |
| 68/17/S (CLY-LEOG-020) | M 31 | Grießen | |
| 71/17/S (CLY-LEOG-023) | M 31 | Grießen | |
| 74/17/S (CLY-LEOG-026) | M 31 | Grießen | Hoch filzen |
| 78/17/S (CLY-LEOG-030) | M 31 | Schwarzleo | |
| 79/17/S (CLY-LEOG-031) | M 31 | Schwarzleo | Saalbach |
| 80/17/S (CLY-LEOG-032) | M 31 | Schwarzleo | Saalbach |
| 81/17/S (CLY-LEOG-033) | M 31 | Schwarzleo | Grießen, Hoch filzen, Fieberbrunn |
| 82/17/S (CLY-LEOG-034) | M 31 | Schwarzleo | Saalbach |
| 83/17/S (CLY-LEOG-035) | M 31 | Schwarzleo | Fieberbrunn |
| 84/17/S (CLY-LEOG-036) | M 31 | Schwarzleo | Fieberbrunn, Saalbach |
| 85/17/S (CLY-LEOG-037) | M 31 | Fieberbrunn | |
| 86/17/S (CLY-LEOG-038) | M 31 | Fieberbrunn | Hoch filzen |
| 87/17/S (CLY-LEOG-039) | M 31 | Fieberbrunn | |
| 88/17/S (CLY-LEOG-040) | M 31 | Fieberbrunn | |
| 89/17/S (CLY-LEOG-041) | M 31 | Fieberbrunn | |
| 90/17/S (CLY-LEOG-042) | M 31 | Fieberbrunn | Saalbach |
| 91/17/S (CLY-LEOG-043) | M 31 | Fieberbrunn | |
| 92/17/S (CLY-LEOG-044) | M 31 | Fieberbrunn | |
| 93/17/S (CLY-LEOG-045) | M 31 | Fieberbrunn | |

| | | | |
|---|---|---|---|
| 94/17/S (CLY-LEOG-046) | M 31 | Fieberbrunn | |
| 95/17/S (CLY-LEOG-047) | M 31 | Fieberbrunn | Saalbach |
| 96/17/S (CLY-LEOG-048) | M 31 | Fieberbrunn | |
| 98/17/S (CLY-LEOG-050) | M 31 | Fieberbrunn | |
| 99/17/S (CLY-LEOG-051) | M 31 | Fieberbrunn | Saalbach |
| 101/17/S (CLY-LEOG-053) | M 31 | Fieberbrunn | |
| 103/17/S (CLY-LEOG-055) | M 31 | Fieberbrunn | |
| 104/17/S (CLY-LEOG-056) | M 31 | Fieberbrunn | |
| 105/17/S (CLY-LEOG-057) | M 31 | Fieberbrunn | |
| 106/17/S (CLY-LEOG-058) | M 31 | Fieberbrunn | |
| 107/17/S (CLY-LEOG-059) | M 31 | Fieberbrunn | |
| 108/17/S (CLY-LEOG-060) | M 31 | Fieberbrunn | |
| 109/17/S (CLY-LEOG-061) | M 31 | Fieberbrunn | |
| 110/17/S (CLY-LEOG-062) | M 31 | Fieberbrunn | |
| 111/17/S (CLY-LEOG-063) | M 31 | Fieberbrunn | |
| 112/17/S (CLY-LEOG-064) | M 31 | Fieberbrunn | |
| 114/17/S (CLY-LEOG-066) | M 31 | Fieberbrunn | |
| 115/17/S (CLY-LEOG-067) | M 31 | Fieberbrunn | |
| 116/17/S (CLY-LEOG-068) | M 31 | Fieberbrunn | |
| 117/17/S (CLY-LEOG-069) | M 31 | Fieberbrunn | |
| 118/17/S (CLY-LEOG-070) | M 31 | Fieberbrunn | |
| 119/17/S (CLY-LEOG-071) | M 31 | Fieberbrunn | |
| 120/17/S (CLY-LEOG-072) | M 31 | Fieberbrunn | |
| 121/17/S (CLY-LEOG-073) | M 31 | Fieberbrunn | |
| 122/17/S (CLY-LEOG-074) | M 31 | Fieberbrunn | |
| 123/17/S (CLY-LEOG-075) | M 31 | Fieberbrunn | |
| 124/17/S (CLY-LEOG-076) | M 31 | Fieberbrunn | |
| 125/17/S (CLY-LEOG-077) | M 31 | Fieberbrunn | |
| 126/17/S (CLY-LEOG-078) | M 31 | Fieberbrunn | |
| 127/17/S (CLY-LEOG-079) | M 31 | Fieberbrunn | |
| 128/17/S (CLY-LEOG-080) | M 31 | Fieberbrunn | |
| 129/17/S (CLY-LEOG-081) | M 31 | Fieberbrunn | |
| 130/17/S (CLY-LEOG-082) | M 31 | Fieberbrunn | |
| 131/17/S (CLY-LEOG-083) | M 31 | Fieberbrunn | |
| 132/17/S (CLY-LEOG-084) | M 31 | Fieberbrunn | |
| 133/17/S (CLY-LEOG-085) | M 31 | Fieberbrunn | |
| 134/17/S (CLY-LEOG-086) | M 31 | Fieberbrunn | |
| 135/17/S (CLY-LEOG-087) | M 31 | Fieberbrunn | |
| 136/17/S (CLY-LEOG-088) | M 31 | Fieberbrunn | |
| 137/17/S (CLY-LEOG-089) | M 31 | Fieberbrunn | Aurach |
| 138/17/S (CLY-LEOG-090) | M 31 | Fieberbrunn | Aurach |
| 139/17/S (CLY-LEOG-091) | M 31 | Fieberbrunn | |
| 140/17/S (CLY-LEOG-092) | M 31 | Fieberbrunn | |
| 141/17/S (CLY-LEOG-093) | M 31 | Fieberbrunn | Saalbach |
| 142/17/S (CLY-LEOG-094) | M 31 | Fieberbrunn | |
| 143/17/S (CLY-LEOG-095) | M 31 | Hochfilzen | Grießen |
| 144/17/S (CLY-LEOG-096) | M 31 | Hochfilzen | Grießen |
| 145/17/S (CLY-LEOG-097) | M 31 | Fieberbrunn | Saalbach |
| 146/17/S (CLY-LEOG-098) | M 31 | Fieberbrunn | |
| 147/17/S (CLY-LEOG-099) | M 31 | Fieberbrunn | |
| 148/17/S (CLY-LEOG-1OO) | M 31 | Fieberbrunn | |

| Austrian Tenement Schedule – Kitzbuhel - RareX First Priority | | | |
|---|---|---|---|
| Designation | Reference Meridian | Cadastral Municipalities | |
| | | Centre in the Cadastral Municipality | Other Cadastral Municipality Concerned |
| 38/17/T (CLY- KITZ-001) | M 31 | Fieberbrunn | |
| 39/17/T (CLY- KITZ -002) | M 31 | Fieberbrunn | |
| 40/17/T (CLY- KITZ -003) | M 31 | Fieberbrunn | |
| 41/17/T (CLY- KITZ -004) | M 31 | Fieberbrunn | |

| | | | |
|---|---|---|---|
| 42/17/T (CLY- KITZ-005) | M 31 | Fieberbrunn | |
| 43/17/T (CLY- KITZ-006) | M 31 | Fieberbrunn | |
| 44/17/T (CLY- KITZ -007) | M 31 | Fieberbrunn | |
| 45/17/T (CLY- KITZ -008) | M 31 | Fieberbrunn | |
| 46/17/T (CLY- KITZ -009) | M 31 | Fieberbrunn | |
| 47/17/T (CLY- KITZ-010) | M 31 | Fieberbrunn | |
| 48/17/T (CLY- KITZ -011) | M 31 | Fieberbrunn | |
| 49/17/T (CLY- KITZ-012) | M 31 | Fieberbrunn | |
| 50/17/T (CLY- KITZ-013) | M 31 | Fieberbrunn | |
| 51/17/T (CLY- KITZ-014) | M 31 | Fieberbrunn | |
| 52/17/T (CLY- KITZ -015) | M 31 | Fieberbrunn | |
| 53/17/T (CLY- KITZ -016) | M 31 | Fieberbrunn | |
| 54/17/T (CLY- KITZ -017) | M 31 | Fieberbrunn | |
| 55/17/T (CLY- KITZ -018) | M 31 | Fieberbrunn | |
| 56/17/T (CLY- KITZ-019) | M 31 | Fieberbrunn | |
| 57/17/T (CLY- KITZ-020) | M 31 | Fieberbrunn | |
| 58/17/T (CLY- KITZ-021) | M 31 | Fieberbrunn | |
| 59/17/T (CLY- KITZ-022) | M 31 | Fieberbrunn | |
| 60/17/T (CLY- KZTZ-023) | M 31 | Fieberbrunn | Aurach |
| 61/17/T (CLY- KITZ-024) | M 31 | Fieberbrunn | Aurach |
| 62/17/T (CLY-KITZ-025) | M 31 | Fieberbrunn | Aurach |
| 63/17/T (CLY-KITZ-026) | M 31 | Fieberbrunn | Aurach |
| 64/17/T (CLY-KITZ-027) | M 31 | Fieberbrunn | Aurach |
| 65/17/T (CLY-KITZ-028) | M 31 | Fieberbrunn | |
| 66/17/T (CLY-KITZ-029) | M 31 | Fieberbrunn | |
| 67/17/T (CLY-KITZ-030) | M 31 | Fieberbrunn | |
| 68/17/T (CLY-KITZ-031) | M 31 | Fieberbrunn | Aurach |
| 69/17/T (CLY-KITZ-032) | M 31 | Fieberbrunn | Aurach |
| 70/17/T (CLY-KITZ-033) | M 31 | Aurach | |
| 71/17/T (CLY-KITZ-034) | M 31 | Fieberbrunn | |
| 72/17/T (CLY-KITZ-035) | M 31 | Fieberbrunn | |
| 73/17/T (CLY-KITZ-036) | M 31 | Fieberbrunn | |
| 74/17/T (CLY-KITZ-037) | M 31 | Fieberbrunn | |
| 75/17/T (CLY-KITZ-038) | M 31 | Fieberbrunn | |
| 76/17/T (CLY-KITZ-039) | M 31 | Fieberbrunn | |
| 77/17/T (CLY-KITZ-040) | M 31 | Fieberbrunn | |
| 78/17/T (CLY-KITZ-041) | M 31 | Kitzbühel Land | Fieberbrunn |
| 79/17/T (CLY-KITZ-042) | M 31 | Kitzbühel Land | Fieberbrunn |
| 80/17/T (CLY-KITZ-043) | M 31 | Fieberbrunn | |
| 81/17/T (CLY-KITZ-044) | M 31 | Fieberbrunn | |
| 82/17/T (CLY-KITZ-045) | M 31 | Fieberbrunn | |
| 83/17/T (CLY-KITZ-046) | M 31 | Kitzbühel Land | Fieberbrunn |
| 84/17/T (CLY-KITZ-047) | M 31 | Kitzbühel Land | |
| 85/17/T (CLY-KITZ-048) | M 31 | Kitzbühel Land | Fieberbrunn |
| 86/17/T (CLY-KITZ-049) | M 31 | Kitzbühel Land | Fieberbrunn |
| 87/17/T (CLY-KITZ-050) | M 31 | Fieberbrunn | |
| 88/17/T (CLY-KITZ-051) | M 31 | Kitzbühel Land | Fieberbrunn, Aurach |
| 89/17/T (CLY-KITZ-052) | M 31 | Aurach | |
| 90/17/T (CLY-KITZ-053) | M 31 | Aurach | |
| 91/17/T (CLY-KITZ-054) | M 31 | Kitzbühel Land | Aurach |
| 92/17/T (CLY-KITZ-055) | M 31 | Aurach | |
| 93/17/T (CLY-KITZ-056) | M 31 | Aurach | |
| 94/17/T (CLY-KITZ-057) | M 31 | Kitzbühel Land | Aurach |
| 95/17/T (CLY-KITZ-058) | M 31 | Aurach | |
| 96/17/T (CLY-KITZ-059) | M 31 | Kitzbühel Land | Aurach |
| 97/17/T (CLY-KITZ-060) | M 31 | Kitzbühel Land | Aurach |
| 98/17/T (CLY-KITZ-061) | M 31 | Kitzbühel Land | Aurach |
| 99/17/T (CLY-KITZ-062) | M 31 | Kitzbühel Land | |
| 100/17/T (CLY-KITZ-063) | M 31 | Kitzbühel Land | |
| 101/17/T (CLY-KITZ-064) | M 31 | Kitzbühel Land | Aurach |

| | | | |
|---|---|---|---|
| 102/17/T (CLY-KITZ-065) | M 31 | Aurach | |
| 103/17/T (CLY-KITZ-066) | M 31 | Kitzbühel Land | Aurach |
| 104/17/T (CLY-KITZ-067) | M 31 | Kitzbühel Land | |
| 105/17/T (CLY-KITZ-068) | M 31 | Kitzbühel Land | Aurach |
| 106/17/T (CLY-KITZ-069) | M 31 | Kitzbühel Land | Aurach |
| 107/17/T (CLY-KITZ-070) | M 31 | Kitzbühel Land | |
| 108/17/T (CLY-KITZ-071) | M 31 | Kitzbühel Land | |
| 109/17/T (CLY-KITZ-072) | M 31 | Kitzbühel Land | |
| 110/17/T (CLY-KITZ-073) | M 31 | Kitzbühel Land | |
| 111/17/T (CLY-KITZ-074) | M 31 | Kitzbühel Land | |
| 112/17/T (CLY-KITZ-075) | M 31 | Kitzbühel Land | |
| 113/17/T (CLY-KITZ-076) | M 31 | Kitzbühel Land | |
| 114/17/T (CLY-KITZ-077) | M 31 | Kitzbühel Land | |
| 115/17/T (CLY-KITZ-078) | M 31 | Kitzbühel Land | |
| 116/17/T (CLY-KITZ-079) | M 31 | Kitzbühel Land | |
| 117/17/T (CLY-KITZ-080) | M 31 | Kitzbühel Land | |
| 118/17/T (CLY-KITZ-081) | M 31 | Kitzbühel Land | |
| 119/17/T (CLY-KITZ-082) | M 31 | St. Johann in Tirol | Kitzbühel Land |
| 121/17/T (CLY-KITZ-084) | M 31 | Kitzbühel Land | Fieberbrunn |
| 122/17/T (CLY-KITZ-085) | M 31 | St. Johann in Tirol | Kitzbühel Land |
| 123/17/T (CLY-KITZ-086) | M 31 | St. Johann in Tirol | Kitzbühel Land |
| 124/17/T (CLY-KITZ-087) | M 31 | St. Johann in Tirol | Kitzbühel Land, Fieberbrunn |
| 125/17/T (CLY-KITZ-088) | M 31 | St. Johann in Tirol | |
| 126/17/T (CLY-KITZ-089) | M 31 | St. Johann in Tirol | |
| 127/17/T (CLY-KITZ-090) | M 31 | St. Johann in Tirol | |
| 128/17/T (CLY-KITZ-091) | M 31 | St. Johann in Tirol | |
| 129/17/T (CLY-KITZ-092) | M 31 | St. Johann in Tirol | |
| 130/17/T (CLY-KITZ-093) | M 31 | St. Johann in Tirol | Kitzbühel Land |
| 131/17/T (CLY-KITZ-094) | M 31 | St. Johann in Tirol | |
| 132/17/T (CLY-KITZ-095) | M 31 | St. Johann in Tirol | |
| 133/17/T (CLY-KITZ-096) | M 31 | St. Johann in Tirol | |
| 135/17/T (CLY-KITZ-098) | M 31 | Kitzbühel Land | |
| 137/17/T (CLY-KITZ-100) | M 31 | Aurach | |

| Austrian Tenement Schedule – Leogang - RareX Second Priority in at least 50% of the licence area | | | |
|---|---|---|---|
| Designation | Reference Meridian | Cadastral Municipalities | |
| | | Centre in the Cadastral Municipality | Other Cadastral Municipality Concerned |
| 49/17/S (CLY-LEOG-001) | M 31 | Schwarzleo | Sonnberg |
| 50/17/S (CLY-LEOG-002) | M 31 | Schwarzleo | |
| 52/17/S (CLY-LEOG-004) | M 31 | Schwarzleo | |
| 53/17/S (CLY-LEOG-005) | M 31 | Schwarzleo | |
| 54/17/S (CLY-LEOG-006) | M 31 | Schwarzleo | |
| 55/17/S (CLY-LEOG-007) | M 31 | Schwarzleo | |
| 59/17/S (CLY-LEOG-011) | M 31 | Schwarzleo | |
| 60/17/S (CLY-LEOG-012) | M 31 | Schwarzleo | |
| 61/17/S (CLY-LEOG-013) | M 31 | Schwarzleo | Grießen |
| 62/17/S (CLY-LEOG-014) | M 31 | Schwarzleo | |
| 63/17/S (CLY-LEOG-015) | M 31 | Schwarzleo | |
| 65/17/S (CLY-LEOG-017) | M 31 | Schwarzleo | Grießen |
| 66/17/S (CLY-LEOG-018) | M 31 | Schwarzleo | |
| 67/17/S (CLY-LEOG-019) | M 31 | Schwarzleo | |
| 69/17/S (CLY-LEOG-021) | M 31 | Schwarzleo | |
| 70/17/S (CLY-LEOG-022) | M 31 | Schwarzleo | Grießen |
| 72/17/S (CLY-LEOG-024) | M 31 | Schwarzleo | |
| 73/17/S (CLY-LEOG-025) | M 31 | Schwarzleo | Grießen |
| 75/17/S (CLY-LEOG-027) | M 31 | Schwarzleo | |
| 76/17/S (CLY-LEOG-028) | M 31 | Schwarzleo | |
| 77/17/S (CLY-LEOG-029) | M 31 | Schwarzleo | |
| 97/17/S (CLY-LEOG-049) | M 31 | Fieberbrunn | |
| 100/17/S (CLY-LEOG-052) | M 31 | Fieberbrunn | |

| | | | |
|---|---|---|---|
| 102/17/S (CLY-LEOG-054) | M 31 | Fieberbrunn | |
| 113/17/S (CLY-LEOG-065) | M 31 | Fieberbrunn | |

| Austrian Tenement Schedule – Kitzbuhel - RareX Second Priority in at least 50% of licence area | | | |
|---|---|---|---|
| Designation | Reference Meridian | Cadastral Municipalities | |
| | | Centre in the Cadastral Municipality | Other Cadastral Municipality Concerned |
| 120/17/T (CLY-KITZ-083) | M 31 | Kitzbühel Land | |
| 134/17/T (CLY-KITZ-097) | M 31 | St. Johann in Tirol | Kitzbühel Land |
| 136/17/T (CLY-KITZ-099) | M 31 | Kitzbühel Land | |

| Moroccan Tenement Schedule | | | |
|---|---|---|---|
| Licence Name | Licence No | RareX interest | Note |
| Tizi Belhaj | 234 08 79 | 20% | Earning up to 100% |
| Bou Amzil | 233 88 04 | 20% | Earning up to 100% |
| Imdere | 233 94 05 | 20% | Earning up to 100% |
| Bou Amzil Extension | PR 384 22 26 | - | 100% on completion |

## Appendix 2: Disclosures in relation to Quarterly Cashflow Report

In line with its obligations under ASX Listing Rule 5.3.5, RareX Limited notes that the only payments to related parties of the Company, as advised in the Appendix 5B for the period ended 30 September 2021, pertain to payments to the managing director for salary and superannuation and non-executive director fees.

During the quarter ended 30 September 2021, the Company spent approximately $822,000 on project and exploration activities. The exploration expenditure relates primarily to RC and diamond drilling activities at the Cummins Range, assaying of core from the ongoing drilling program and metallurgical test work.

# Appendix 5B

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Name of entity | |
|---|---|
| **RareX Limited** | |
| ABN | Quarter ended ("current quarter") |
| **65 105 578 756** | **30 September 2021** |

| **Consolidated statement of cash flows** | | **Current quarter $A'000** | **Year to date (3 months) $A'000** |
|---|---|---|---|
| **1.** | **Cash flows from operating activities** | | |
| 1.1 | Receipts from customers | - | - |
| 1.2 | Payments for | | |
| | (a) exploration & evaluation | (822) | (822) |
| | (b) development | - | - |
| | (c) production | - | - |
| | (d) staff costs | (286) | (286) |
| | (e) administration and corporate costs | (400) | (400) |
| 1.3 | Dividends received (see note 3) | - | - |
| 1.4 | Interest received | 1 | 1 |
| 1.5 | Interest and other costs of finance paid | (6) | (6) |
| 1.6 | Income taxes paid | - | - |
| 1.7 | Government grants and tax incentives | - | - |
| 1.8 | Other (provide details if material) | - | - |
| **1.9** | **Net cash from / (used in) operating activities** | **(1,513)** | **(1,513)** |

| | | | |
|---|---|---|---|
| **2.** | **Cash flows from investing activities** | | |
| 2.1 | Payments to acquire or for: | | |
| | (a) entities | - | - |
| | (b) tenements | (171) | (171) |
| | (c) property, plant and equipment | - | - |
| | (d) exploration & evaluation | - | - |
| | (e) investments | - | - |
| | (f) other non-current assets | - | - |

| Consolidated statement of cash flows | | Current quarter $A'000 | Year to date (3 months) $A'000 |
|---|---|---|---|
| 2.2 | Proceeds from the disposal of: | | |
| | (a) entities | - | - |
| | (b) tenements | - | - |
| | (c) property, plant and equipment | - | - |
| | (d) investments | - | - |
| | (e) other non-current assets | - | - |
| 2.3 | Cash flows from loans to other entities | - | - |
| 2.4 | Dividends received (see note 3) | - | - |
| 2.5 | Other (Security deposit) | - | - |
| **2.6** | **Net cash from / (used in) investing activities** | **(171)** | **(171)** |

| **3.** | **Cash flows from financing activities** | | |
|---|---|---|---|
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | - | - |
| 3.2 | Proceeds from issue of convertible debt securities | - | - |
| 3.3 | Proceeds from exercise of options | 406 | 406 |
| 3.4 | Transaction costs related to issues of equity securities or convertible debt securities | - | - |
| 3.5 | Proceeds from borrowings | - | - |
| 3.6 | Repayment of borrowings | - | - |
| 3.7 | Transaction costs related to loans and borrowings | - | - |
| 3.8 | Dividends paid | - | - |
| 3.9 | Other (Reduction in finance lease liability) | (18) | (18) |
| **3.10** | **Net cash from / (used in) financing activities** | **388** | **388** |

| **4.** | **Net increase / (decrease) in cash and cash equivalents for the period** | | |
|---|---|---|---|
| 4.1 | Cash and cash equivalents at beginning of period | 4,478 | 4,478 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (1,513) | (1,513) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (171) | (171) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 388 | 388 |

| Consolidated statement of cash flows | | Current quarter $A'000 | Year to date (3 months) $A'000 |
|---|---|---|---|
| 4.5 | Effect of movement in exchange rates on cash held | - | - |
| **4.6** | **Cash and cash equivalents at end of period** | **3,182** | **3,182** |

| 5. | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter $A'000 | Previous quarter $A'000 |
|---|---|---|---|
| 5.1 | Bank balances | 1,182 | 1,478 |
| 5.2 | Call deposits | 2,000 | 3,000 |
| 5.3 | Bank overdrafts | - | - |
| 5.4 | Other (provide details) | - | - |
| **5.5** | **Cash and cash equivalents at end of quarter (should equal item 4.6 above)** | **3,182** | **4,478** |

| 6. | Payments to related parties of the entity and their associates | Current quarter $A'000 |
|---|---|---|
| 6.1 | Aggregate amount of payments to related parties and their associates included in item 1 | 113 |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | - |

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*

| 7. | **Financing facilities**<br>*Note: the term "facility' includes all forms of financing arrangements available to the entity.*<br>*Add notes as necessary for an understanding of the sources of finance available to the entity.* | **Total facility amount at quarter end $A'000** | **Amount drawn at quarter end $A'000** |
|---|---|---|---|
| 7.1 | Loan facilities | - | - |
| 7.2 | Credit standby arrangements | - | - |
| 7.3 | Other– Instalment arrangement | - | - |
| 7.4 | **Total financing facilities** | - | - |
| 7.5 | **Unused financing facilities available at quarter end** | | - |
| 7.6 | Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. | | |

| 8. | **Estimated cash available for future operating activities** | **$A'000** |
|---|---|---|
| 8.1 | Net cash from / (used in) operating activities (item 1.9) | (1,513) |
| 8.2 | (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | - |
| 8.3 | Total relevant outgoings (item 8.1 + item 8.2) | (1,513) |
| 8.4 | Cash and cash equivalents at quarter end (item 4.6) | 3,182 |
| 8.5 | Unused finance facilities available at quarter end (item 7.5) | - |
| 8.6 | Total available funding (item 8.4 + item 8.5) | 3,182 |
| 8.7 | **Estimated quarters of funding available (item 8.6 divided by item 8.3)** | 2.1 |

*Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.*

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

## Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 29 October 2021

Authorised by: The Board of RareX Limited

**Notes**

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.