RAREX

ASX Release
30 April 2025

March 2025 Quarterly Report

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HIGHLIGHTS

- RareX and Iluka Resources establish a consortium to apply for the Mrima Hill rare earth-niobium-phosphate-manganese project in Kenya and for the formation of a special purpose vehicle ("SPV") for its de-risking and development
- High grade gallium identified at the Cummins Range Project in the Kimberleys, WA - historical drill assays suggest these are the highest-grade gallium assays reported in Australia
- Scandium contained within the Cummins Range deposit add to the potential of the project as a multi critical mineral project and make Cummins Range one of the largest scandium deposits in Australia
- Tenements granted at the Mt Mansbridge Heavy Rare Earths Project clearing the path to drilling
- A new heavy rare earths tenement acquired at the Mt Mansbridge Heavy Rare Earths Project – containing historical yttrium rich boulders which is a proxy element for heavy rare earths
- Access agreement secured at the Khaleesi Project with Deep Yellow neighbours
- One additional licence acquired at the Khaleesi Project, expanding the prospectivity of this alkaline intrusive complex project

Cautionary Note: At present, there are no guarantees that the consortium's application for the Mrima Hill Project will be accepted and that the consortium will be invited to negotiate with NAMICO and the State Department for Mining the terms on which the proposed Prospecting Licence will be granted. The grant of the Prospecting Licence remains subject to discretion of NAMICO and the Cabinet Secretary and therefore investors are cautioned not to place undue reliance on the grant of the Prospecting Licence.

RareX Limited (ASX: REE) (**RareX** or **the Company**), is pleased to provide its activities and cash flow reports for the quarter ended 31 March 2025.

Management Comment

RareX's Managing Director, James Durrant, said: *"RareX made strong progress during the quarter, advancing its strategy to develop a portfolio of world-class critical minerals assets. At Cummins Range, high-grade gallium assays and confirmation of significant scandium potential further position the project as a globally significant multi-commodity deposit. Progress across the broader portfolio included tenement grants and acquisitions at Mt Mansbridge and Khaleesi, expanding RareX's exposure to heavy rare earths and a phenomenal alkaline intrusive system. Post-quarter, RareX also partnered with Iluka Resources in a consortium submission to pursue the strategic Mrima Hill project in Kenya, reinforcing the Company's ambitions to develop primary deposits for critical minerals supply chains for the West."*

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RareX and Iluka in consortium for Mrima Hill

On 22 April, RareX announced a consortium agreement with Iluka Resources Limited (ASX: ILU) to apply for the Mrima Hill rare earth-niobium-phosphate-manganese project licence ("the Project", "Mrima Hill") ("Consortium Agreement"), and that the consortium has made a formal application to the National Mining Corporation of Kenya ("NAMICO"), which has now been formally receipted by NAMICO.

Subject to the application being successful, the parties agree to establish a Special Purpose Vehicle ("SPV") to pursue the acquisition, de-risking and development of the Mrima Hill Project and to negotiate the terms of a formal shareholders agreement. The Consortium Agreement sets out that Iluka will hold a 25% equity stake in the SPV as well as the terms for rare earth offtake to potentially provide feed to Iluka's Eneabba rare earth refinery, and heavy mineral offtake.

The Consortium Agreement intends for RareX to take the lead in de-risking the Project with a strong initial focus on socio-environmental matters followed by metallurgical and value chain engineering studies including the installation of local laboratory and pilot plant capability in the short to medium term.

Application and proposal for Mrima Hill

The Mrima Hill Project is currently owned by the Ministry of Mining, Blue Economy and Maritime Affairs, and, under Kenyan Law, its de-risking and future development will require a joint venture with the national mining corporation, NAMICO.

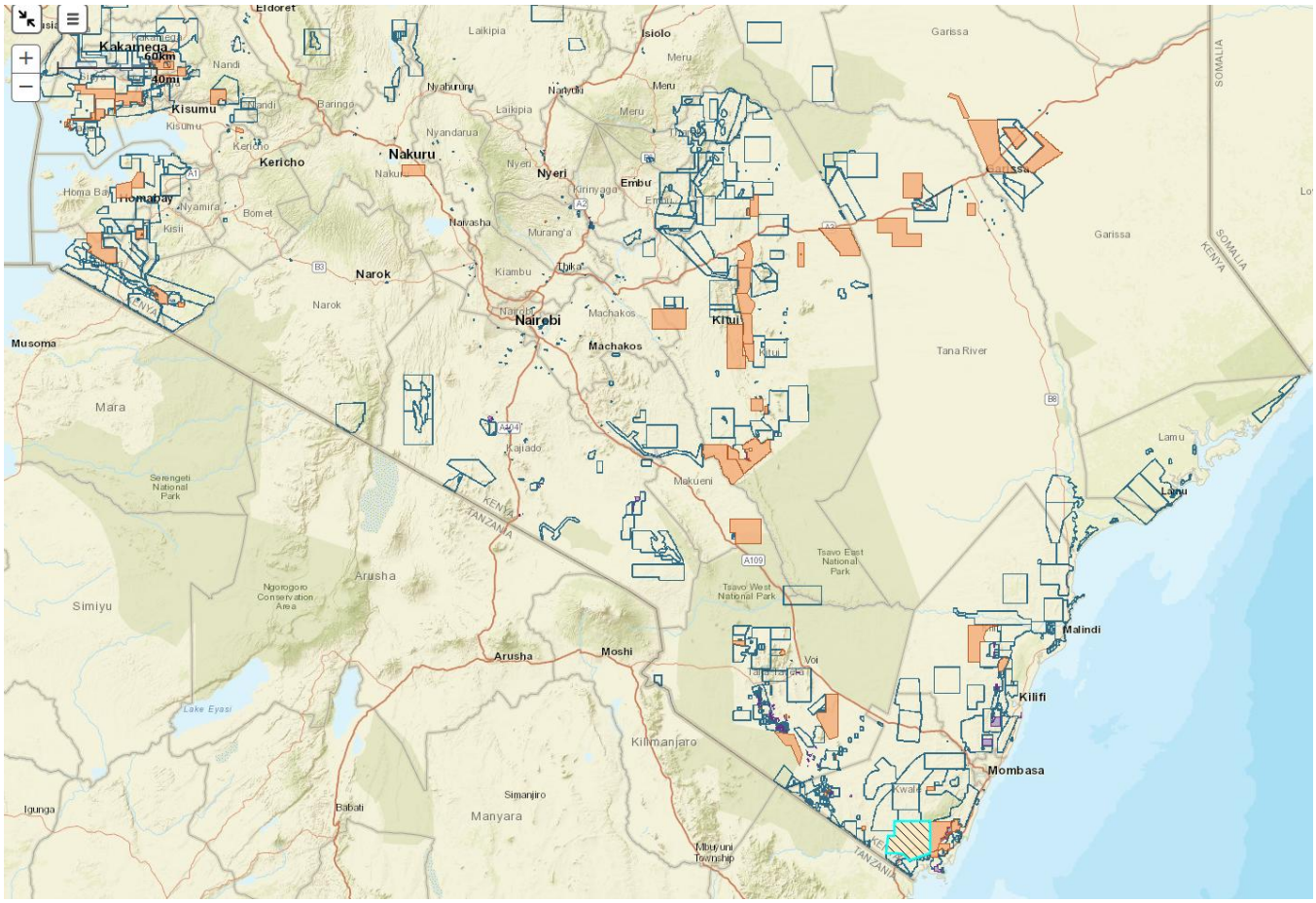

Figure 1: Map of Kenya with Mrima Hill Project outlined in light blue in southern corner of Kenya.

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An application has been made by the consortium to NAMICO which is aimed at securing approval to form a strategic partnership with NAMICO via a joint venture, into which the Prospecting Licence will transfer ("JVco"). NAMICO has confirmed receipt of the application and is currently reviewing the proposal in parallel with the State Department for Mining. At present, there are no guarantees that the consortium's application will be accepted and that the consortium will be invited to negotiate with NAMICO and the State Department for Mining the terms on which the proposed Prospecting Licence will be granted. The grant of the Prospecting Licence remains subject to discretion of NAMICO and the Cabinet Secretary and therefore investors are cautioned not to rely on the grant of the Prospecting Licence. RareX will continue to inform the market of the progress of the application in accordance with its obligations under Listing Rule 3.1.

If the consortium's proposal is accepted, the RareX-Iluka SPV will be formed and will become the counterparty to NAMICO in the JVco.

This process is in accordance with the Kenya Mining Act. If successful and the project licence ("Prospecting Licence") is granted to the JVco, RareX will lead the necessary socio-environmental, resource definition, and engineering study work. This body of work is the prerequisite for a Mining Licence under which the Project would be licenced to move into construction and operations.

RareX and Iluka have signed a binding offtake term sheet ("Term Sheet") which sets out the terms for a long-form offtake agreement. The commencement of sale and purchase of material under the Term Sheet (but not the Term Sheet itself) is subject to conditions precedent including the grant of a Mining Licence, the commencement of commercial production, Iluka board approval for the definitive agreement and regulatory and financing approvals.

If the procurement process is successfully completed and the Prospecting Licence is issued to the JVco, RareX will focus on community engagement and environmental assessments as a priority. It is critical that before any activity is initiated on the Project, there is a social licence to operate.

To achieve a social licence to operate, RareX intends to build local teams with support from experienced companies that specialise in community development. This includes employing, where possible, relevant teams previously established to support the Kwale Mineral Sands Operation which has entered its closure phase. Kwale Mineral Sands Operation, previously owned by Australian company, Base Resources Limited (ASX:BSE), is close to the Mrima Hill Project.

RareX's vision, as the intended future operator, is to work with Iluka to enable the rare earths to be processed at Iluka's Eneabba facility, whilst building out local value chains for manganese, phosphate and niobium, important to Kenya's domestic industries.

In connection with the application, RareX is in preliminary discussions with GEM - Global Emerging Markets - regarding a potential facility to fund the working capital requirements of the Company associated with the Project. The terms of the facility, including the quantum of the facility, are not yet in agreed form and there are no guarantees that the potential facility will become available to RareX. The Company may consider other options for funding.

Key terms of the Consortium Agreement and Offtake Term Sheet are set out in the announcement dated 22 April 2025.

CUMMINS RANGE PROJECT

The Cummins Range Rare Earths Project in the Kimberleys, WA, is an advanced project with many of the pre-development aspects completed and a mining lease in its final stages of approval. The metals scandium and gallium have not been included in scoping study work and may present significant upside to the underlying economics of the deposit.

Gallium at Cummins Range

In March, RareX announced the discovery of high-grade gallium at the Cummins Range carbonatite pipe. The rare earth deposit hosts multiple wide, high-grade intercepts above the Rare and Phos carbonatite dykes. Gallium assays have been identified in the upper 80m of the carbonatite pipe, occurring alongside high-grade rare earths, phosphate, and scandium mineralisation. Deeper gallium has not yet been assayed for.

Most of the world's gallium is produced as a byproduct of aluminium and zinc refining. Gallium grades are generally classified as follows: low-grade (30–50 g/t), moderate-grade (50–100 g/t), and high-grade (>100 g/t). Initial assessments have identified a moderately mineralized area of 500m x 500m, with higher grade zones occurring within and near high grade rare earth and scandium mineralization. Notable high-grade intercepts include:

- NRC016 - 99m at 106 g/t Ga_2O_3, 0.77% TREO and 160 g/t Sc_2O_3 from 1m to EOH
- NRC058 - 74m at 123 g/t Ga_2O_3, 2.4% TREO and 186 g/t Sc_2O_3 from surface, including 30m at 206 g/t Ga_2O_3, 4.6% TREO and 310 g/t Sc_2O_3
- NRC037 - 56m at 114 g/t Ga_2O_3, 1.5% TREO and 263 g/t Sc_2O_3 from 44m, including 11m at 220 g/t Ga_2O_3, 3% TREO and 639 g/t Sc_2O_3
- NRC038 - 60m at 124 g/t Ga_2O_3, 3% TREO and 372 g/t Sc_2O_3 from 36m, including 12m at 242 g/t Ga_2O_3, 6.7% TREO and 638 g/t Sc_2O_3
- NRC068 - 86m at 105 g/t Ga_2O_3, 2.8% TREO and 200 g/t Sc_2O_3 from 14m, including 11m at 210 g/t Ga_2O_3, 6.6% TREO and 376 g/t Sc_2O_3
- NRC078 - 37m at 145 g/t Ga_2O_3, 3.2% TREO and 321 g/t Sc_2O_3 from 30m, including 10m at 292 g/t Ga_2O_3, 5% TREO and 500 g/t Sc_2O_3

Historical regolith RC drilling, conducted between 2007 and 2012 by Navigator Resources and Kimberly Rare Earths were mostly assayed for gallium. A total of 11,487 assays for gallium were completed with 36% of the assays containing >40 g/t Ga_2O_3.

Table 1. Gallium Significant Intercepts statistics

Number of historical drill holes with Ga_2O_3 assays	173
Number of drill holes with complete Ga_2O_3 assays	133
Number of drill holes containing significant intercepts	111
Mean width of significant intercepts	41m
Weighted average of significant intercepts	70 g/t

Drill holes are concentrated within a 500m × 500m area where the carbonatite dykes have surfaced. An impressive 111 drill holes contain significant gallium intercepts, with an average width of 41m and a metal content of 70 g/t Ga_2O_3. Low to moderate grades (40–70 g/t Ga_2O_3) are dispersed throughout the regolith profile, while higher-grade and wider intersections are often, though not exclusively, associated with rare earth mineralized zones.

The mineral hosting the gallium has not yet been identified; determining this will be a key objective of future mineralogical and metallurgical studies.

No gallium assays have been conducted on the 30,000m of RareX drilling. However, assay pulps are stored at the RareX facility, and re-assaying selected areas can be completed within a reasonable timeframe and cost. Rare earth mineralization has been confirmed down to 700m below surface, and if shallower results warrant further investigation, the potential fresh rock gallium source will be tested at these depths.

The Global Gallium Market

The global gallium market is dominated by China, which controls 98% of global gallium production.[1]

With the growth of electronics, semi-conductors and solar panels it is anticipated the gallium market will grow significantly from US$2.45 billion in 2024 to US$21.53 billion by 2034.[2]

Beyond China, production alternatives are limited. Russia ranks as the second-largest producer globally, but at a mere 5 metric tons in 2022—representing just 0.81% of global production—its output is negligible compared to China's dominance[2]. No other countries are significant producers of primary gallium, creating a near-monopoly situation that heightens supply risk for importing nations.

The demand for gallium has expanded dramatically across numerous high-tech sectors, contributing significantly to the upward pressure on prices. The global gallium market is projected to grow from $2.32 billion in 2024 to $2.91 billion in 2025, representing a compound annual growth rate CAGR of 25.4%[3]. More aggressive forecasts suggest the market could reach $17.0 billion by 2032, expanding at a CAGR of 24.5%[4]. Upward price pressure are likely to persist as demand continues to expand across the semiconductor, telecommunications, defense, and renewable energy sectors.

Gallium prices have experienced remarkable volatility and overall upward trajectory in recent years, influenced by a complex interplay of supply constraints and growing demand. In December 2024, gallium prices surged to $575 per kilogram (delivered to Rotterdam), representing a 17% increase over previous levels and reaching the highest point since 2011.[5]

The most significant factor driving recent price increases has been China's strategic export restrictions. Beijing implemented initial controls on gallium exports in August 2023, which immediately disrupted global supply chains and pushed prices higher. By December 2024, China had escalated these measures, announcing a comprehensive ban on gallium exports to the United States, further intensifying market pressures. Since China accounts for approximately 98% of global gallium production, these export restrictions have had outsized impacts on global availability and pricing.

China's production advantage stems from its integration of gallium recovery with its massive aluminum industry, as gallium is typically extracted from the alumina processing stream[6].

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[1] https://www.mining.com/web/gallium-price-rises-to-highest-since-2011-following-china-export-curbs/; https://www.statista.com/statistics/1441110/primary-production-of-gallium-worldwide-by-country/
[2] https://www.factmr.com/report/gallium-market#:~:text=Gallium%20Market%20Outlook%20(2024%20to%202034)&text=The%20market%20has%20been%20forecasted,element%20with%20atomic%20number%2031
[3] https://blog.tbrc.info/2025/02/gallium-market-drivers-2/
[4] https://www.persistencemarketresearch.com/market-research/gallium-market.asp
[5] https://www.mining.com/web/gallium-price-rises-to-highest-since-2011-following-china-export-curbs/; https://www.mining.com/web/gallium-price-has-more-than-doubled-since-china-export-curbs/
[6] https://www.fitechem.com/news/gallium-price-floor-set-to-rise-in-2021/

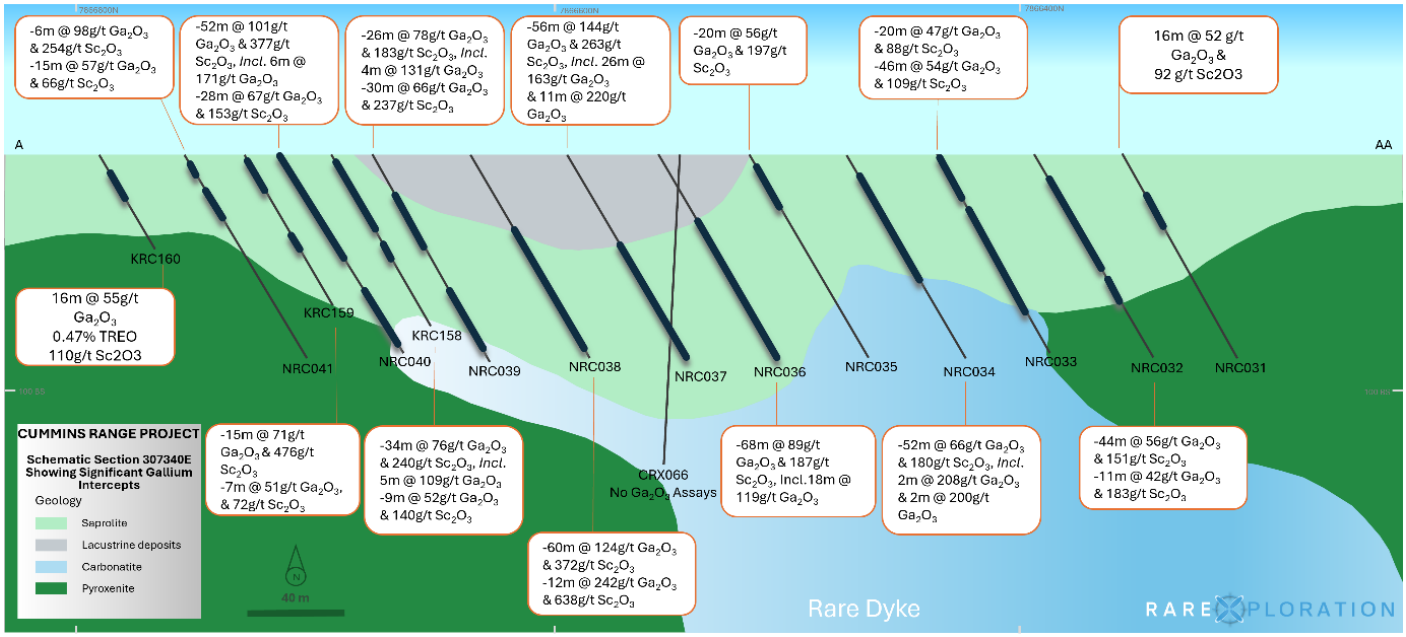

Figure 2. Section 307340E. Showing gallium intercepts at Cummins Range deposit.

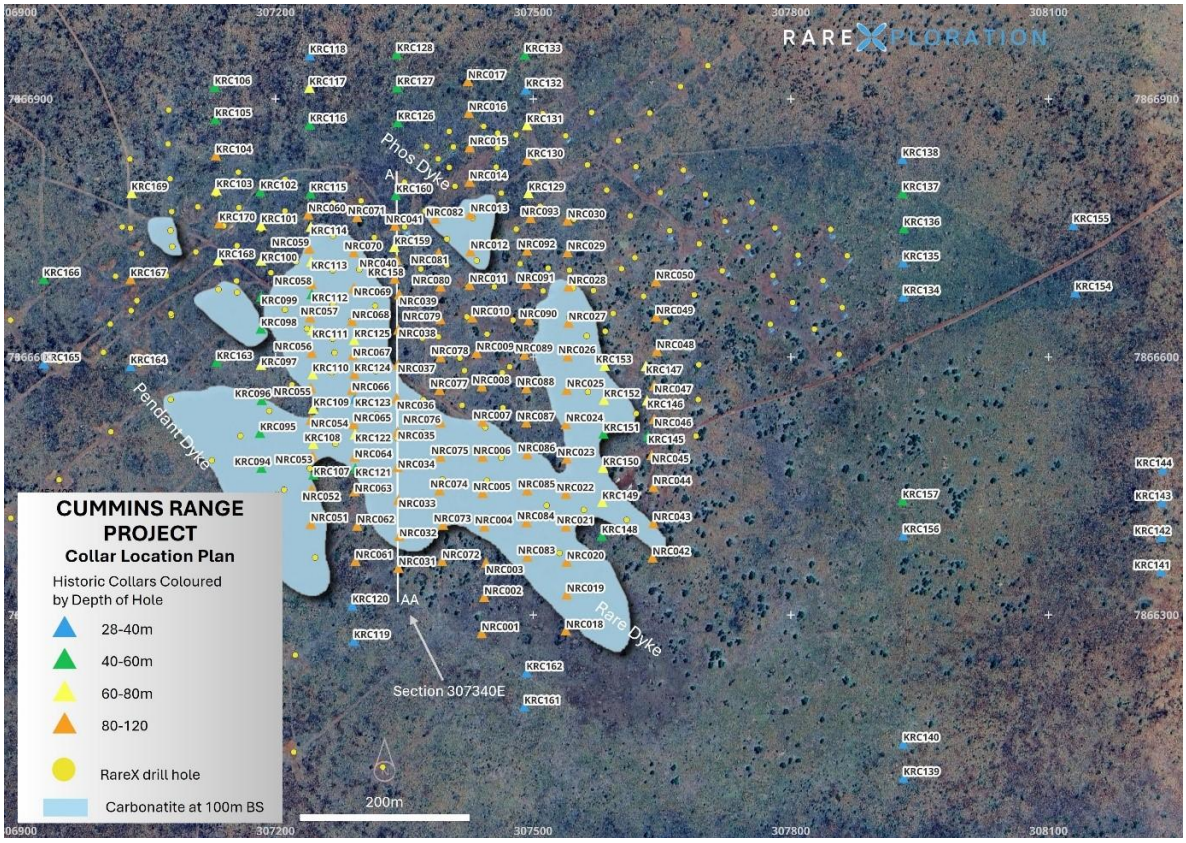

Figure 3. Collar location plan showing carbonatite dykes 100m below surface. Also showing Section (Figure 2) location.

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Scandium at Cummins Range

In light of the recent news of critical metal restrictions from China, RareX is pleased to confirm details of its scandium content at Cummins Range.

The global race to secure critical minerals like scandium has intensified in recent years due to geopolitical tensions and supply chain vulnerabilities. Developments in China, the United States, and Australia underscore the strategic value of metals such as those at Cummins Range. Scandium, with its applications in aerospace and defence is a growing market over the past decade and its dual use applications have now triggered further supply restriction out of China, following the U.S. tariff implementations on 2 April 2025[7].

The Company's current Mineral Resource Estimate for Cummins Range, reported in January 2024[8], included scandium oxide for a combined inferred and indicated resource of 38,250t of Sc_2O_3, with the indicated portion containing **6,970t of Sc_2O_3**. Within the indicated resource there are wide intervals of high-grade scandium accompanied by high grade gallium, rare earths (including heavy rare earths) and phosphate.

Table 2. Cummins Range Mineral Resource Estimate, P2O5 ≥ 2.5%

Classification	Tonnes (Mt)	P_2O_5 (%)	TREO + Y_2O_3 (ppm)	HREO (ppm)	Nd_2O_3 (ppm)	Pr_6O_{11} (ppm)	Sc_2O_3 (g/t)	ThU (ppm)
Indicated	77.4	6.7	4650	280	790	230	90	90
Inferred	446.9	4.2	2860	170	480	140	70	40
Total	524.3	4.6	3120	190	520	150	70	50

Notes:
1. Due to effects of rounding, the total may not represent the sum of all components
2. TREO (ppm) includes: Light Rare Earth Oxides (LREO): La2O3, CeO2, Pr6O11, Nd2O3; and Heavy Rare Oxides (HREO): Sm2O3, Eu2O3, Gd2O3, Tb4O7, Dy2O3, Ho2O3, Er2O3, Tm2O3, Yb2O3, Lu2O3; + Y2O3
3. ThU comprises ThO2 + U3O8 (ppm)
4. Mineral Resource is reported from all blocks, classified as either Indicated or Inferred, where interpolated block grade is >2.5%P2O5

Cummins Range is emerging as a multi-commodity critical minerals project rather than just a rare earth deposit. The Resource includes 24Mt of phosphate, 1.6Mt of contained total rare earth oxide (incl. 97,600t of heavy rare earths oxides), 38,250t of scandium oxide and clear indications of gallium, yet to be quantified in a JORC compliant resource but at some of the highest grades reported in Australia[9].

The Cummins Range carbonatite deposit is the largest scandium deposit in the western world with 38,250t of contain Sc_2O_3. This includes an Indicated Resource of 77.4Mt at 90g/t for 6,970t of Sc_2O_3. Within the Indicated Resource, which is largely concentrated in the upper 100m, there are areas of higher concentrations of the metal. Significant intercepts have been calculated with 248 intercepts greater than 200g/t Sc_2O_3 and are shown in Appendix 1. Some outstanding results include:

- CRX0035 – 60m at **320**g/t Sc_2O_3 and 2.65% TREO from 53m (no gallium assays), including 8m at **824**g/t Sc_2O_3 and 3m at **1131**g/t Sc_2O_3
- CRX0063 – 53m at **482**g/t Sc_2O_3 and 1.89% TREO from 45m (no gallium assays), including 30m at **744**g/t Sc_2O_3 and 3m at **1021**g/t Sc_2O_3
- NRC040 – 87m at **294**g/t Sc_2O_3, 81g/t Ga_2O_3 and 1.06% TREO from 1m, including 3m at **960**g/t Sc_2O_3 and 11m at **519**g/t Sc_2O_3
- NRC037 – 32m at **433**g/t Sc_2O_3, 132g/t Ga_2O_3 and 2.58% TREO from 45m, including 12m at **711**g/t Sc_2O_3 and 2m at **1058**g/t Sc_2O_3

[9] REE ASX Announcement 25 March 2025: *RareX Discovers High Grade Gallium at Cummins Range*

In the regolith portion of the deposit, upgrading of various of metals, including scandium, gallium, niobium, rare earth elements and phosphate, has resulted in one of Australia's most significant concentrations of critical metals. The metals are often occurring together and beneficiation of rare earths or phosphate will likely upgrade the scandium and gallium as well.

Recent Geopolitical Developments affecting Scandium Supply

China recently responded to increasing U.S. tariffs with significant export controls targeting critical minerals, implemented April 4, 2025, as part of broader retaliatory measures against U.S. tariffs[10]. These controls focus on medium and heavy rare earth elements essential for advanced technologies and defence applications. Export licenses are now required for:

- Scandium and scandium alloys/compounds;
- Yttrium and related materials; and
- Samarium, gadolinium, terbium, dysprosium, and lutetium.

This expands China's previous restrictions on gallium and germanium[11] as well as other critical minerals.

Unlike earlier policies with grace periods, these controls took effect immediately on April 4, 2025, disrupting global supply chains and exporters must now submit license applications through Ministry of Commerce (MOFCOM) or face shipment holds for non-compliance[12].

The Global Scandium Market

Scandium has emerged as a strategic critical mineral with growing importance across multiple industries. It is generally recovered from cobalt, nickel, titanium and zirconium processing streams, with China being the leading producer globally. Scandium lacks affinity for the common ore-forming anions; therefore, it is widely dispersed in the lithosphere and forms solid solutions with low concentrations in more than 100 minerals and, similar to gallium, occurs in comparatively low concentrations where it is recovered from the aforementioned processing streams. Global consumption has increased considerably driven by its use in aluminium-scandium alloys and SOFCs[13].

In financial terms, the global scandium market reached US$548.9 million in 2022 and is forecast to expand to US$859 million by 2028, representing a compound annual growth rate (CAGR) of 7.75%, with more optimistic forecasts suggesting the market could reach US$1.53 billion by 2030, with a CAGR of 14.7% from 2025 to 2030[14].

In terms of physical volume, global supply and consumption has shown remarkable growth, doubling from approximately 15-25 metric tons in 2021 to 30-40 metric tons in 2023, according to the US Geological Survey[8].

Recent price points in China show scandium oxide (99.99% purity) trading at approximately US$650/kg EXW and, over the past decade, prices of up to US$2,000/kg have been reached. Meanwhile, high-purity scandium metal (99.999%) commands pricing around US$5,000/kg[15].

Due to the small, fragmented and opaque market dynamics it is unclear how scandium prices vary by jurisdiction. With China being essentially the sole supplier, the provided price range is likely limited to the Chinese market where trade restrictions do not apply and as such likely provide a floor price indication.

[10] https://www.reuters.com/world/china-hits-back-us-tariffs-with-rare-earth-export-controls-2025-04-04/
[11] https://www.fastmarkets.com/insights/chinas-tighter-gallium-germanium-export-controls-more-of-the-same-or-a-shift-in-approach/
[12] https://www.hklaw.com/en/insights/publications/2025/04/china-imposes-export-controls-on-medium-and-heavy-rare-earth-materials
[13] https://pubs.usgs.gov/periodicals/mcs2024/mcs2024-scandium.pdf
[14] https://www.globenewswire.com/news-release/2023/12/19/2798775/28124/en/Global-Scandium-Market-Industry-Trends-Share-Size-Growth-Opportunity-and-Forecast-2023-2028-Demand-in-Aerospace-and-Solid-Oxide-Fuel-Cells-Rises.html
[15] https://www.asianmetal.com/

Key Applications Driving Scandium Demand

Aluminium-Scandium Alloys: The integration of scandium into aluminium alloys represents one of the most promising growth segments. Even at small concentrations (approximately 0.2%), scandium dramatically improves aluminium's properties by enabling welded rather than riveted construction and reducing weight by 10-15%, which is particularly relevant for space applications[9].

Solid Oxide Fuel Cells (SOFCs): The SOFC segment dominates the current scandium market, accounting for approximately 36% of global demand. Scandium oxide serves as a critical component in SOFCs by stabilizing zirconium in oxide-conductive electrolytes and enabling operation at lower temperatures compared to traditional materials[16].

Beyond these major applications, scandium finds use in diverse sectors including:

1. Electronics
2. 3D printing materials for advanced manufacturing
3. Sports equipment (baseball bats, bicycle frames, lacrosse sticks)
4. Military and defence components
5. Medical applications (PET imaging, catalysts)
6. Thin film deposition for semiconductor manufacturing

Global production remains limited to:

- By-product recovery from other metal processing (nickel, cobalt, uranium, titanium)
- Small-scale operations primarily in China, Russia, Kazakhstan, and (before 2022) Ukraine

China maintains a near-monopoly on scandium feedstock production and refining, creating supply chain vulnerabilities for Western nations and industries relying on this critical material. Whilst there are some notable western deposits in the US, Europe, Australia and Quebec, Canada, there is no notable scandium extraction in the West outside a small Rio Tinto operation in Quebec.

MT MANSBRIDGE PROJECT

During the quarter, RareX was granted the tenements E80/5942 and E80/5973, which are part of the Mt Mansbridge Heavy Rare Earths project in the Kimberley region of Western Australia.

The project is located 40km from the Northern Minerals (ASX: NTU) Browns Range HRE project, which is one of the most significant HRE districts in the world, with 7 xenotime deposits hosting 11.7Mt at 0.77% TREO (with DyTb contributing to 10% of the TREO)[17]. Iluka has recently pegged most of the ground between the Mt Mansbridge project and Browns Range project (see Figure 4) and are substantial shareholders of NTU, with a pathway to acquire 19.9% of the company.

The geology at Mt Mansbridge project is very similar to the Browns Range project, with 217km^2 of exposed fertile Paleoproterozoic basement rocks with the outer rim of the tenement area containing an unconformity contact with the overlying Birrindudu group. This is the same unconformity contact that hosts the high-grade Browns Range unconformity heavy rare earth (HRE) deposits.

[16] https://www.mordorintelligence.com/industry-reports/scandium-market
[17] NTU ASX Announcement dated 16 January 2025: 2025 Wolverine Mineral Resource Estimate

The project is highly prospective for HRE xenotime mineralisation and the exploration upside is summarized below, with further details in RareX's announcement dated 18 September 2024:

- Historical pit samples at the Sigma prospect have shown up to 6.0% yttrium, a proxy element for heavy rare earths
- Drilling has confirmed hydrothermal xenotime mineralization in basement rocks, which is open in all directions. Drill hole MMRC007 intersected 16m at 0.28% TREO from 77m, including a higher-grade portion of 4m at 0.48% TREO from 87m, with 1m at 1.06% TREO. Mineralisation is 58% HRE and 10% DyTb. The DyTb percentage is the same as the Browns Range deposits
- There are several untested HRE soil anomalies in basement rocks and a 2km long untested soil anomaly along the Mt Mansbridge unconformity

Heritage agreements have been established with the Tjurabalan native title holders, ensuring responsible exploration and development practices. Heritage clearance on high priority exploration areas will begin once the Northern Australian wet season has finished.

RareX has also pegged a fourth tenement (E80/6118) at the HRE Mt Mansbridge project. The tenement is 40 blocks in size and is located 8km to the south (Figure 1). The geology is very similar to the main project area and, in 1982, Sigma Resources located altered basement rocks and conglomerate samples from exploration pits. Samples were very strongly HRE mineralised with assays up to 2.7% Yttrium (Table 1). Yttrium in xenotime may be accompanied with high value dysprosium and terbium (DyTb). A sample at Browns Range project (50km to the north east) with 2.7% yttrium may hold up to 0.35% DyTb. Sigma Resources were exploring for uranium not HRE and a deep dive into the historical exploration results suggests these results have never been followed up. This tenement is expected to be granted by the end of the year.

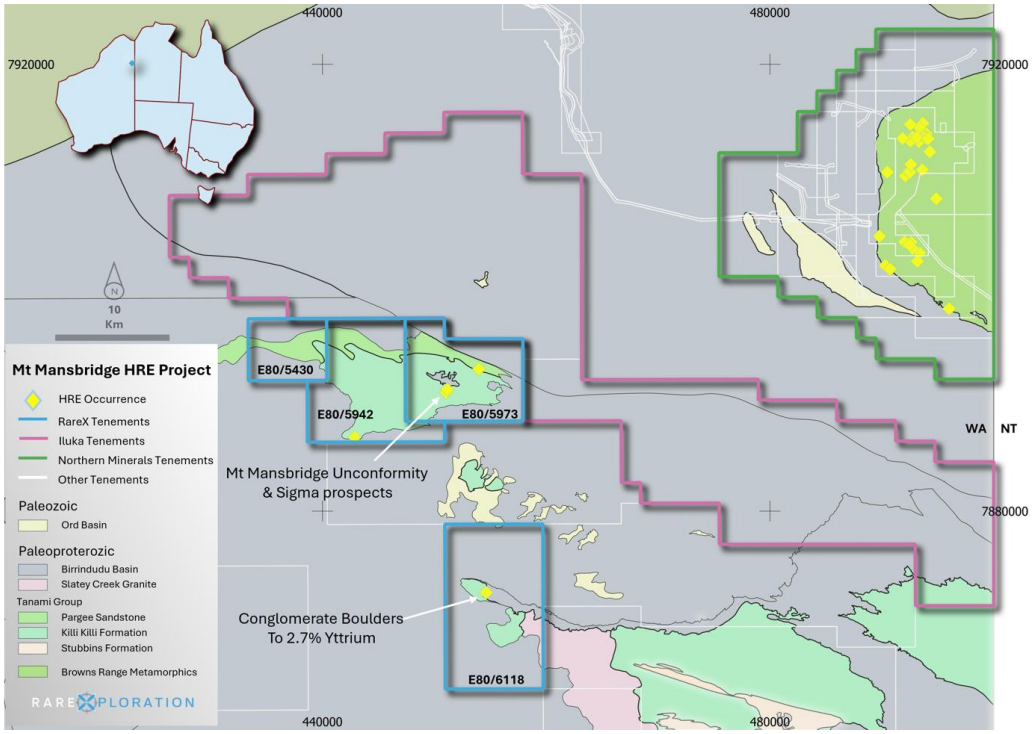

Figure 4. Mt Mansbridge geology and tenement map

Table 3. High grade Yttrium samples from tenement E80/6118. Samples were taken from two small pits at 454070E, 7872270N

Sample	Yttrium (%)	Description
D75	2.0	Pit 1 0.4m depth, random fragments of altered grit
D76	2.7	Pit 1 0.4m depth, selected fragments of altered grit. 20% 1-2mm quartz grains in altered kaolinitic groundmass
D77	2.5	Pit 2 0.3m depth, 0.3m x 0.25 x 0.15m conglomerate boulder, highly altered with partly bleached and partly maroon coloured ground mass. 15% >2cm quartz pebbles
D78	2.4	Pit 2 0.3m depth, 0.3m x 0.25 x 0.15m conglomerate boulder, highly altered with partly bleached and partly maroon coloured ground mass. 15% >2cm quartz pebbles

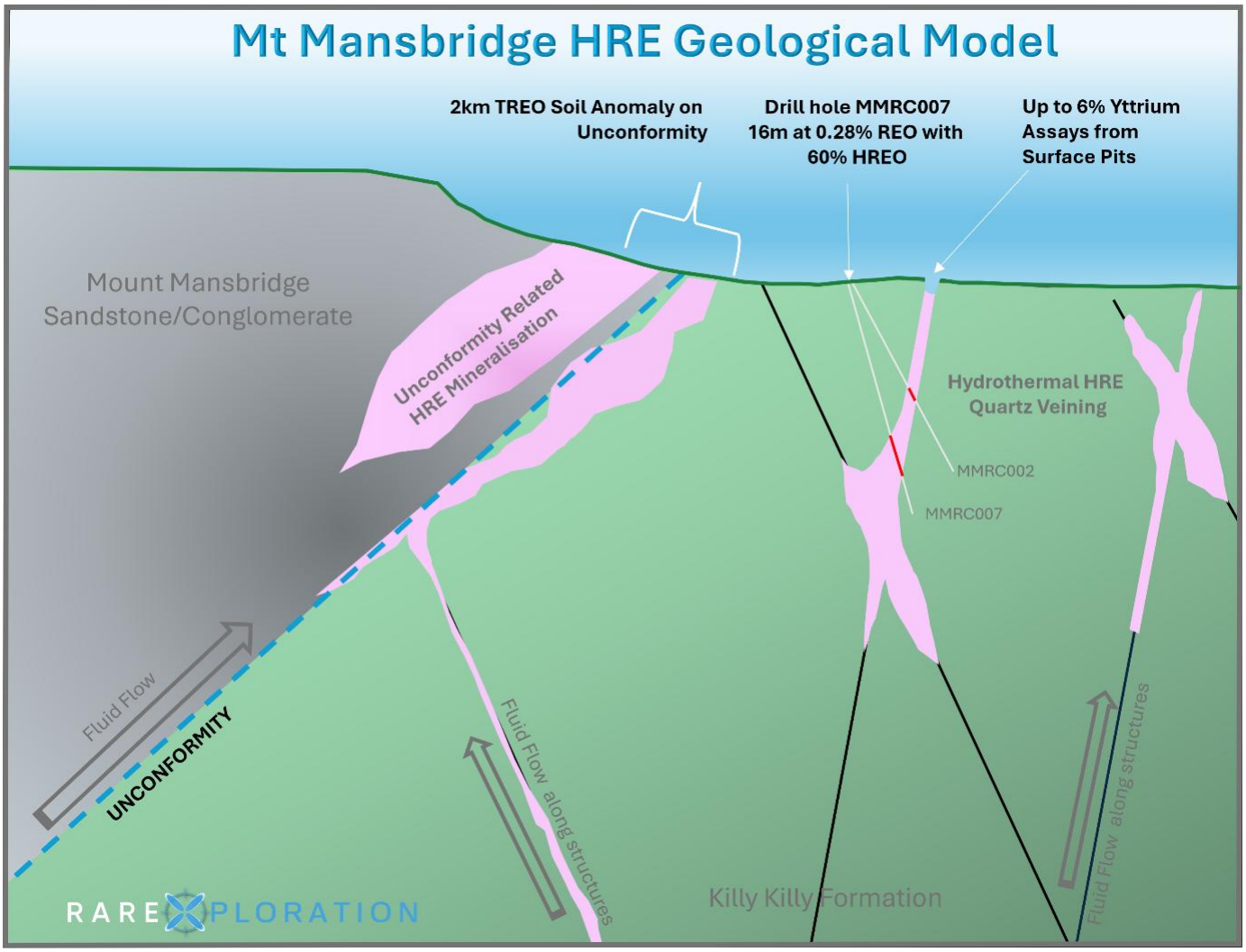

Figure 5. Conceptual geological model for Mt Mansbridge project. Mineralisation styles are based on the Wolverine hydrothermal xenotime-quartz vein deposit and the Dazzler unconformity related HRE deposit at Browns Range.

KHALEESI NIOBIUM PROJECT

During the quarter, RareX confirmed execution of an agreement with Narnoo Mining Pty Limited, a wholly-owned subsidiary of Deep Yellow Limited, which owns and develops the Mulga Rocks Uranium Project north of the Khaleesi tenement package. RareX and Narnoo agreed on ways of operating around Narnoo's Miscellaneous Licenses which are overlapping with E39/2410 and E39/2415, removing the last hurdle towards granting these licenses.

Additionally, licenses E39/2495 and E39/2496 have been granted, following the required notification period by the Department. RareX had already closed out the agreements required under the Native Title act in July 2024[18], but mandatory notification and assessment periods, despite having executed Heritage Protection Agreements in place, led to the grant of this tenure on 30 January 2025.

RareX is now in the final stages of preparing for a high-impact, fully optimised, drilling programme, with access to the full Khaleesi Project including the recently identified alkaline intrusive complex ahead of mobilisation mid-year.

E39/2494 was recently staked by RareXploration, RareX's exploration subsidiary, and is subject to a separate access agreement with Narnoo. The key principles of that site access agreement are covered by the agreement related to E39/2410 and E39/2415 in relation to the fundamental terms around bore field infrastructure. The access agreement to E39/2494 is expected to be resolved in the coming weeks.

The exploration team have recently conducted reconnaissance regarding access requirements for heritage and flora survey programmes, planned to be executed in late February 2025 and March respectively, before submitting a final Program of Work (**POW**) to DEMIRS for assessment and approval of our planned exploration activities.

Figure 6. Typical looking terrain on the Khaleesi Project

[18] ASX Release dated: 30 July 2024: Land and Heritage Agreement for Key Khaleesi Project Licences

The Khaleesi Rare Earth and Niobium Project contains a large 20km diameter alkaline intrusive complex, the same scale and style to the Caldeira project of Meteoric (ASX:MEI) in Brazil. RareX have reinterpreted extensive gravity and magnetics data (see ASX announcement of 11 June 2024) and are finalising new drill targets. Prior exploration drilling did not focus on the type of targets being generated by RareX through their geological theory and re-modelling.

The Project is geologically proximal to the Mt Weld project (Lynas Rare Earths Limited) and located along strike from the highly-endowed Ponton Dyke, the 10km scale Cundeelee carbonatite and the world-class Tropicana Gold mine.

Prior exploration drilling of the project area targeted shallow gold using aircore drilling with over 10,000m completed. Elevated niobium and rare earths indicate a fertile alkaline intrusion complex and the potential to host carbonatite intrusions and continued prospectivity for precious and base metals. For more technical detail please refer to the ASX announcement of 23 May 2024.

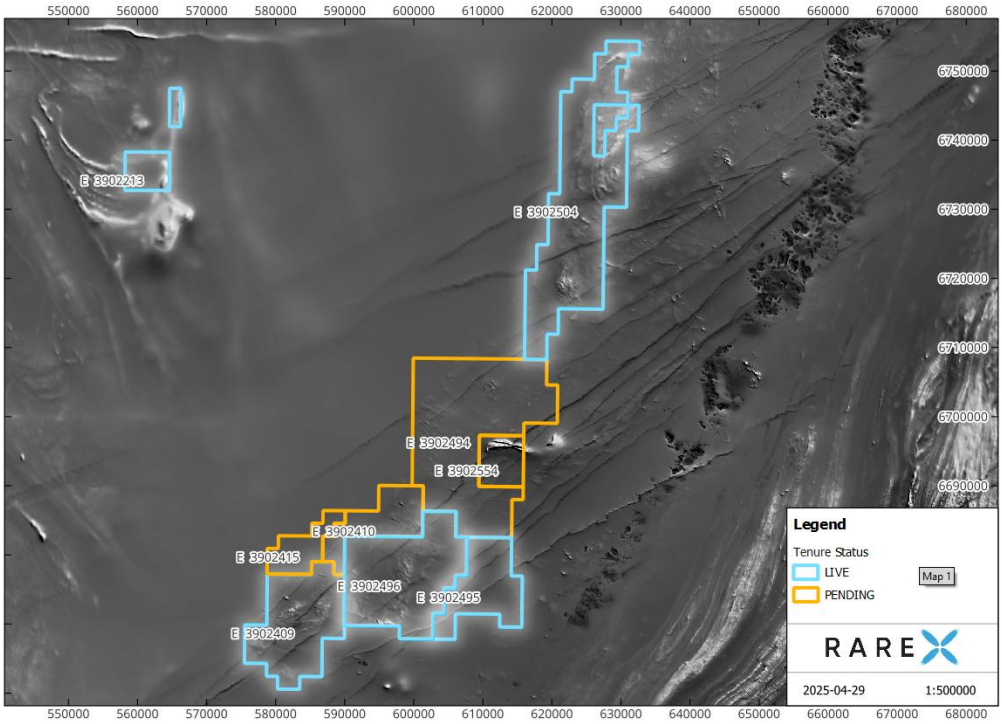

Figure 7. Current tenement status

PIPER PROJECT

In October 2024, RareX entered into an 80% earn-in agreement for the magnetic bulls-eye Piper Project through the drilling of 1000m of diamond holes. The Piper Project is a carbonatite pipe target located in the Aileron Province, Northern Territory, which has similarities to RareX's Cummins Range carbonatite in WA, and has been identified as a high priority drill target by the Resource Potentials geophysical team, who helped WA1 Resources discover the Luni carbonatite.

The Piper Project is located 320km north west of Alice Springs and 170km along strike to the north west from Nolans Bore REE deposit (resource 56Mt at 2.6% TREO[19], see Figure 1). The Piper Project is comprised of 2

[19] ARU ASX Announcement 7 June 2017: *Completion of Detailed Resource Assessment*

tenements, with the smaller of the two granted (EL33675 – 48km^2) and the larger tenement (EL33674 – 284km^2) pending a heritage land access agreement.

Both tenements were pegged in 2023 and, in recent months, all the surrounding ground has been applied for by WA1 Resources, supporting the Nb-REE-P prospectivity of the region.

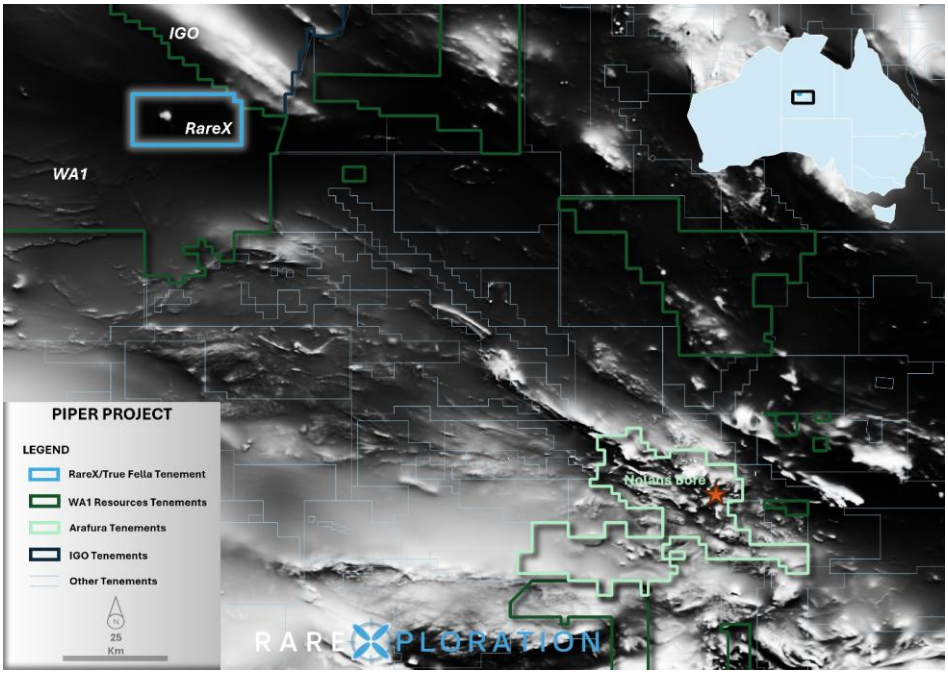

Figure 8. Piper Project tenement outline (blue) and other regional tenements on grey scale Total Magnetic Intensity Image. The Piper Project tenements are now completely surrounded by recent WA1 Resources tenement applications.

The Piper Project is located in the central Aileron Province of the NT and is composed of Palaeoproterozoic granite-gneiss and Lander Rock Beds greenstone-gneiss domains, with the northern half of the tenement covered by younger Neoproterozoic Arumbera Sandstone from the Georgina Basin, which forms a layer that sits over the magnetic carbonatite target which is hosted in the Palaeoproterozoic gneiss.

The carbonatite target is comprised of a strong bull's-eye magnetic anomaly 2.5km in diameter (Figure 2 upper image). The geophysical anomaly sits under the Arumbera Sandstone which is interpreted to be 100m to 200m thick based on geophysical survey data and two historical air-core drill holes to a max depth of 93m over the magnetic anomaly, where none of the holes reached magnetic basement rocks (see Table 2).

The magnetic anomaly response of the carbonatite target indicates that the source body is in the upper 100m to 200m, and the target mineralisation is Nb-REE-P similar to the Cummins Range and Mt Weld carbonatite hosted deposits. The Aileron province has numerous alkaline intrusion complexes along its length, including mineralised bodies such as niobium enriched carbonatites in the western portion of the province forming the Western Arunta, such as WA1 Resources and Encounter Resources projects, and the Nolans Bore rare earths deposit located 170km along strike to the south east of the Piper Project.

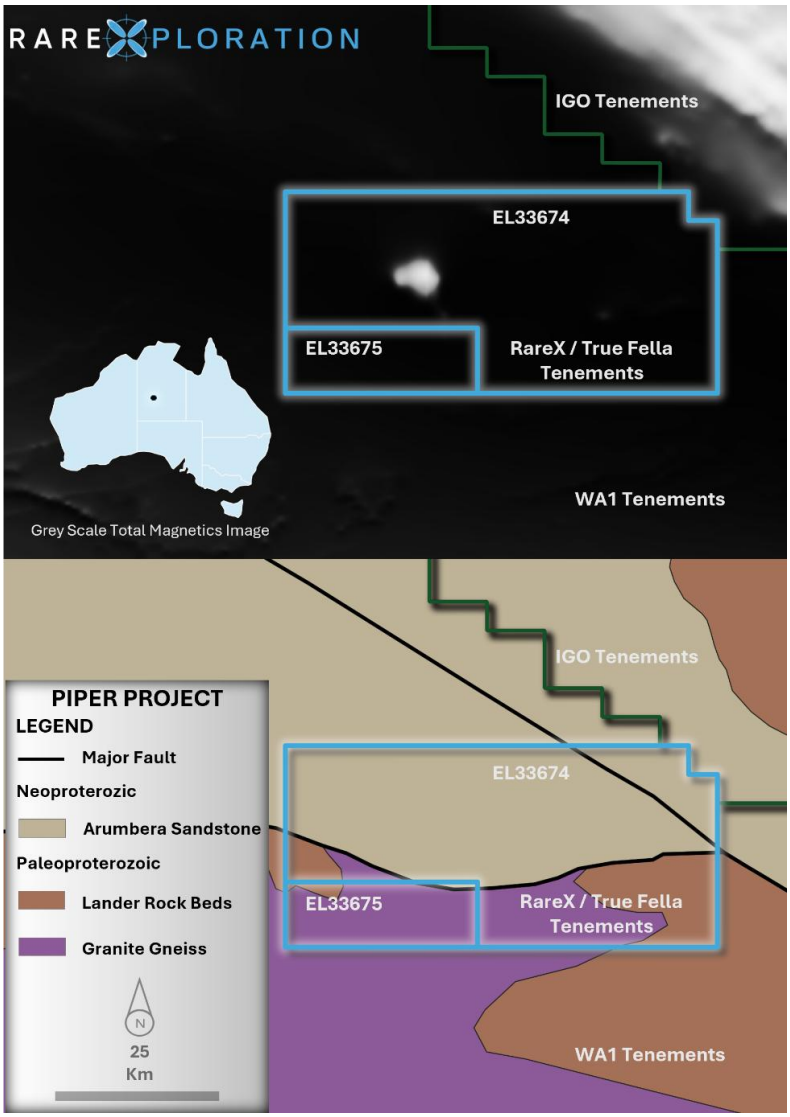

Figure 9. Image at top shows Piper Project tenements on Total Magnetic Intensity image, and bottom image shows Piper Project tenements on interpreted bedrock geology. Note the magnetic carbonatite target in the top image.

No fieldwork was undertaken at the Piper Project during the quarter.

MOROCCAN COBALT PROJECTS

The Company has completed the divestment of these assets.

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

Competent Person's Statement

The exploration results referred to in this announcement were released in accordance with Listing Rule 5.7 on the dates referenced. The Company confirms it is not aware of any new information that would materially change these results since first reported.

Appendix A: RareX Limited Interests in Mining Tenements

The following information is provided pursuant to Listing Rule 5.3.3 for the quarter ended and as at 31 March 2025. The status for each tenement is at the date of this announcement.

Australian Tenement Schedule					
State	**Project**	**Tenement ID**	**RareX Interest**	**Status**	**Notes**
WA	Cummins Range	E80/5092	100%	Granted	Rare Earths and Phosphate
WA	Cummins Range Extension	E80/5372	100%	Granted	Rare Earths and Phosphate
WA	Khaleesi	E39/2409	100%	Granted	Niobium and Rare Earths
WA	Khaleesi	E39/2494	100%	Pending	Niobium and Rare Earths
WA	Khaleesi	E39/2495	100%	Granted	Niobium and Rare Earths
WA	Khaleesi	E39/2496	100%	Granted	Niobium and Rare Earths
WA	Khaleesi	E39/2410	100%	Pending	Niobium and Rare Earths
WA	Khaleesi	E39/2415	100%	Pending	Niobium and Rare Earths
WA	Khaleesi	E39/2504	100%	Granted	Niobium and Rare Earths
WA	Khaleesi	E39/2554	100%	Pending	Niobium and Rare Earths
WA	Mt Mansbridge	E80/5430	100%	Granted	Heavy Rare Earths
WA	Mt Mansbridge	E80/5942	100%	Granted	Heavy Rare Earths
WA	Mt Mansbridge	E80/5973	100%	Granted	Heavy Rare Earths
WA	Mt Mansbridge	E80/6118	100%	Pending	Heavy Rare Earths
WA	Red Dragon	E39/2213	100%	Granted	Rare Earths
NT	Piper Project	EL33675	Up to 80%	Granted	Niobium and Rare Earths
NT	Piper Project	EL33674	Up to 80%	Pending	Niobium and Rare Earths

The Company has completed the divestment of the following tenements:

Moroccan Tenement Schedule		
Licence Name	**Licence No**	**RareX interest**
Tizi Belhaj	234 08 79	0%
Bou Amzil	233 88 04	0%
Imdere	233 94 05	0%

The Company continues to review its existing asset portfolio with a view to ensuring that projects complementary to RareX's exploration and development strategy are retained or acquired and those that are no longer considered a strategic fit are divested in a way that can add shareholder value, through either joint venture, sale or spin-out.

Appendix B: 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 31 March 2025, pertain to payments to the directors as fees, salary and superannuation. During the quarter, the Company spent approximately $124k on project and exploration activities. The exploration expenditure relates primarily to sample preparation and assaying costs, consulting fees for study work, and metallurgical test work.

Appendix C: RareX Limited Investments

In addition to its cash reserves, RareX maintains the following investments in listed companies as at 31 March 2025:

Company	Ticker	Number of shares	Price (native currency)	FX	Value (A$)	Pricing date
Cosmos Exploration Limited	ASX: C1X	10,000,000	A$0.076	1.00	$760,000	31/03/2025
Kincora Copper Limited	ASX: KCC	44,983,333	A$0.024	1.00	$1,079,600	31/03/2025
Canada Rare Earth Corp.	TSXV: LL	24,579,658	CAD$0.02	1.11	$545,668	31/03/2025
Value of share investments (C1X, KCC, LL)					**$2,065,302**	**31/03/2025**

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	**31 March 2025**

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (9 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	6	100
1.2	Payments for		
	(a) exploration & evaluation	(124)	(692)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(243)	(821)
	(e) administration and corporate costs	(315)	(1,051)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	8	29
1.5	Interest and other costs of finance paid	(1)	(1)
1.6	Income and other taxes paid	-	-
1.7	Government grants and tax incentives	-	828
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(669)**	**(1,608)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(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 (9 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 (Refund of security deposit)	-	-
2.6	**Net cash from / (used in) investing activities**	**-**	**-**

3.	**Cash flows from financing activities**	-	
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		150
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(5)
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)	(7)	(20)
3.10	**Net cash from / (used in) financing activities**	**(7)**	**125**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	1,129	1,936
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(669)	(1,608)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(7)	125

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (9 months) $A'000**
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**453**	**453**

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	413	1,089
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other* (provide details)	40	40
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**453**	**1,129**

*The Company holds funds in a term deposit as security against a credit card facility.

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	135
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.

Payment of Director fees, salaries and superannuation of $135k.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *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	40	40
7.3	Other– Instalment arrangement	-	-
7.4	**Total financing facilities**	40	40
7.5	**Unused financing facilities available at quarter end**		40
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.		
	The Company has a credit card facility of which it has a secured term deposit against.		

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(669)
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)	(669)
8.4	Cash and cash equivalents at quarter end (item 4.6)	453
8.5	Unused finance facilities available at quarter end (item 7.5)	40
8.6	Total available funding (item 8.4 + item 8.5)	493
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	0.74

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: The Company has taken steps to reduce its ongoing working capital requirements and has further optimised its corporate structure to reduce corporate overheads. The Company will continue to review and optimise its costs and reduce as necessary.

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: The Company has its LR7.1 capacity available and its LR7.1A capacity available if required and has investments in listed companies, Kincora Copper (KCC), Cosmos Exploration (C1X) and Canada Rare Earth Corp (CREC). The Company has a strong track record of being able to raise funds if required.

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: Yes. The Company expects to continue its operations and exploration activities and will review and adjust according to its available funding.	

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: 30 April 2025

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.