ASX: AR3 | MARKET ANNOUNCEMENT

ASX Release: 23 July 2026

Overland Carbonatite Discovery: 10km Magnetic Corridor Expands Niobium-REE Targets

Drill program to test extensive magnetic anomaly

Highlights

- Reprocessing of a detailed 1999 airborne magnetic survey (80m line spacing) has delineated a significant 10km long, north-south magnetic anomaly – a compelling zone of interest for carbonatite-related mineralisation and a material expansion of AR3's drill target inventory beyond the initial OV167 discovery (see ASX release "Discovery of Niobium-Rare Earth Carbonatite System Identified at Overland Project" 8 July 2026).
- Historic hole R64 recorded a significant gamma response from 56m to 71m, remaining open at depth and comparable to the gamma response at the R254 target tested by AR3 with OV167. R64 sits within the same 10 km magnetic zone, approximately 3km south of the OV167 mineralised intersection, pointing to potential for the carbonatite system to extend well beyond the initial target.
- Drilling program planned to test priority targets within this extensive magnetic feature, building on the niobium-rare earth intercept in OV167 and providing AR3 multiple opportunities to replicate or extend that discovery along the 10km corridor.
- Carbonatites are known to host a wide suite of critical minerals, including REE, niobium and copper.
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Australian Rare Earths Limited (ASX: AR3) has significantly expanded its drill target inventory at the newly identified niobium-rare earth carbonatite system at the Overland Project in South Australia. Reprocessing of a high-resolution 1999 airborne magnetic survey (80m line spacing) has revealed a prominent 10km long, north-south magnetic anomaly, extending the known mineralised footprint well beyond the OV167 discovery. A review of historic drill hole R64, located within this corridor approximately 3km south of the OV167 mineralised intersection, recorded a significant gamma response from 56m to 70m, remaining open at depth – an early indication that the system may continue along strike.

> *"The reprocessed magnetic data is an important advancement in our understanding of the Overland carbonatite discovery. The niobium–rare earth mineralisation intersected in OV167 is now supported by a prominent 10-kilometre magnetic corridor, materially expanding our drill target inventory.*
>
> *"Historic hole R64, approximately three kilometres south of OV167 within the same magnetic corridor, recorded a significant gamma response from 56 metres to 71 metres and remains open at depth. While further drilling is required, this provides an independently supported target and suggests the system may extend significantly beyond OV167.*
>
> *"Our upcoming program will test priority targets along the corridor to extend the mineralised system at OV167, investigate R64 and assess the scale and continuity of the broader carbonatite system.*
>
> *"This remains an early-stage opportunity, but confirmed niobium–rare earth mineralisation, the scale of the magnetic feature and the historic drill response provide multiple opportunities to replicate or extend the discovery.*
>
> *"Overland continues to add meaningful critical minerals upside to AR3's portfolio, while our priority remains firmly on advancing the Koppamurra rare earths project toward commercialisation."*
>
> **Travis Beinke, Managing Director and CEO, Australian Rare Earths Limited**

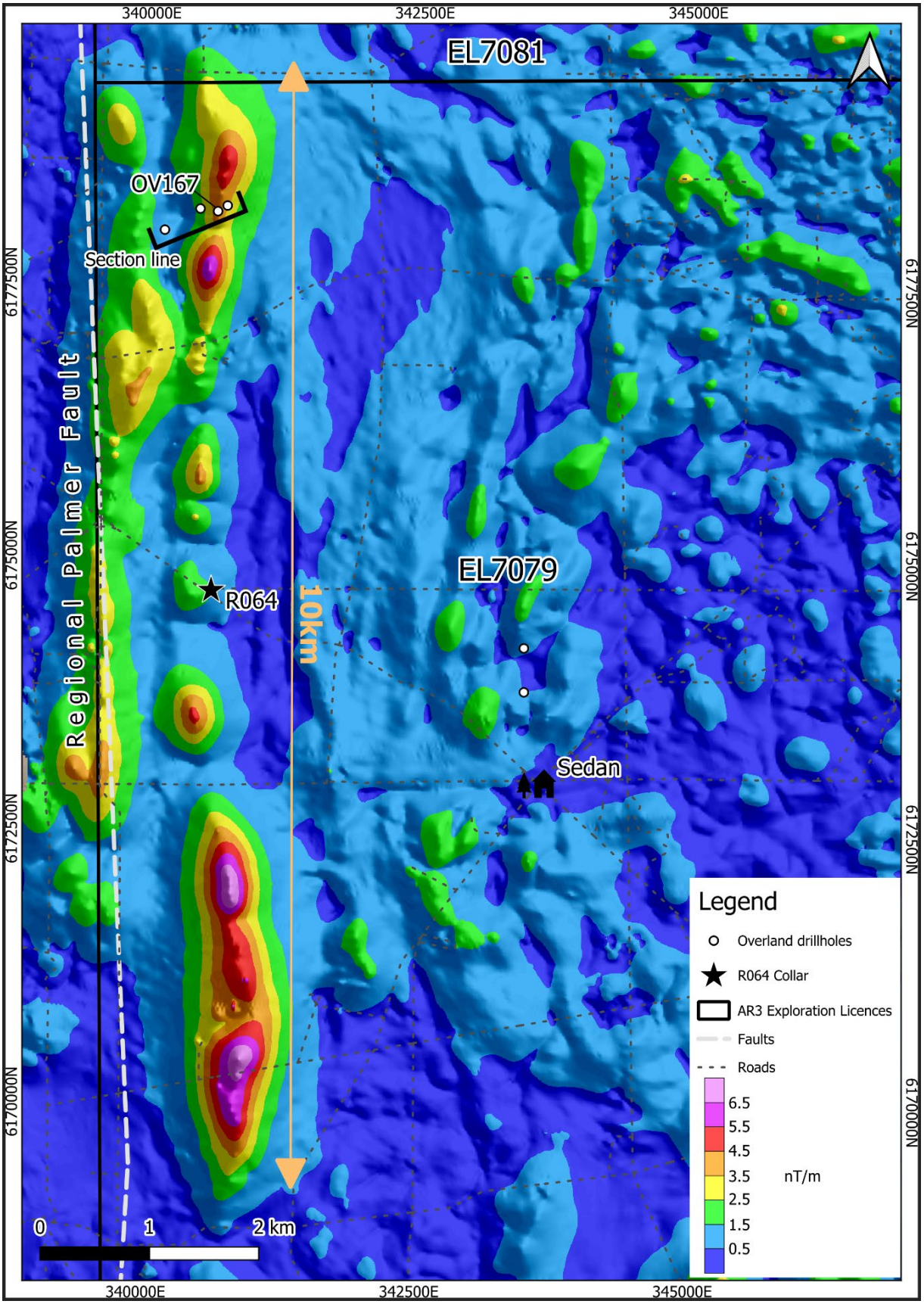

Figure 1 *Normalised Source Strength (NSS) of Total magnetic intensity (TMI), NSS reduces anomaly distortion due to magnetic remanence. R064 is located at 3406090E, 6174702N GDA 2020 Zone 54 and was a 120mm diameter hole drilled vertically to a depth of 71.0m.*

Carbonatite Potential

Carbonatite systems are globally significant sources of REE and niobium (e.g. Lynas' Mt Weld and the world's major niobium mines). They are also known to host copper mineralisation, as demonstrated by the historic Phalaborwa carbonatite complex in South Africa (a major copper producer with by-product REE, zirconium and other metals). Closer to home, recent discoveries by companies such as WA1 Resources (ASX: WA1) at West Arunta and Encounter Resources (ASX: ENR) have highlighted the multi-commodity potential of carbonatites in Australia, including elevated copper alongside niobium and REE. These analogues illustrate the multi-commodity upside AR3 could unlock at Overland as exploration advances, building on the niobium-REE mineralisation already confirmed in OV167.

Only about one mineral exploration project in ten is taken to the drill stage, and one drill programme in 1000 finds a viable mineral deposit. Data compiled by Woolley and Kjarsgaard (2008a) indicates that approximately 6% of the 527 reported carbonatites and alkaline-carbonatite complexes host active mines, 3% hold historic mines, and 11% contain an established mineral resource. These numbers suggest that carbonatites have exceptional potential, and that a newly discovered alkaline-carbonatite complex has a 9 out of 100 probability of hosting a mine[1]. Against this base rate, Overland has already progressed from a geophysical target to a confirmed niobium-rare earth intercept at OV167, and the upcoming program is designed to test whether that success can be repeated across the broader 10 km corridor.

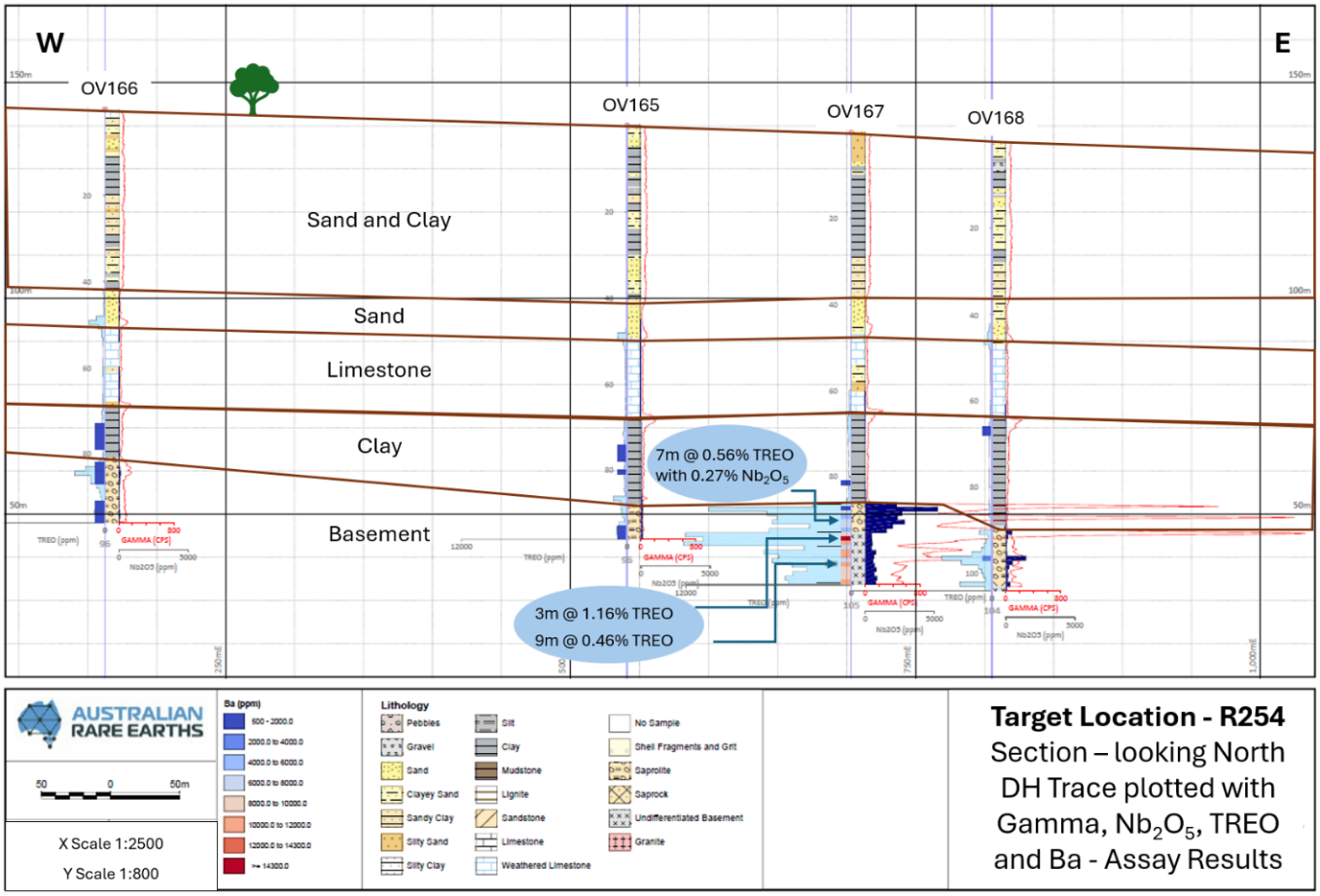

***Figure 2**, W-E Section displaying downhole; lithology, gamma response (cps), assays for TREO, Niobium and Barium*

***Cautionary Note:** The Company cautions that the results reported are from a single drill hole. There is currently insufficient data to define a Mineral Resource, and it is uncertain whether further exploration will result in the estimation of a Mineral Resource. Early-stage results may not be representative of the overall target. However, the geological, geochemical and mineralogical characteristics of OV167 support further systematic exploration of the R254 target. Detail of significant intersections in OV167 are reported in ASX release 8 July 2026.*

[1] George J. Simandl & Suzanne Paradis (2018) Carbonatites: related ore deposits, resources, footprint, and exploration methods, Applied Earth Science, 127:4, 123-152, DOI: 10.1080/25726838.2018.1516935

Upcoming Drilling Program

AR3 is preparing a targeted drilling program to test priority magnetic geophysical targets along this 10 km north-south zone, with the results expected to determine how much of the corridor beyond OV167 hosts additional mineralisation. Drilling will aim to:

- Extend and better define the mineralised carbonatite system intersected in OV167 (19 m @ 0.61% TREO from 86 m to EOH, including elevated NdPr, DyTb and Nb_2O_5, remaining open at depth).
- Investigate the magnetic anomaly and the area around historic hole R64, which lies within the same broad magnetic corridor and showed a strong gamma response – a discrete, independently justified target in its own right.
- Assess the scale and continuity of the system along strike – key to establishing the overall size, and therefore the potential significance, of the discovery.

Next Steps

- Complete regulatory approvals and land access for drilling.
- Execute exploration drilling along the magnetic corridor.
- Detailed assaying, petrography, and downhole geophysics.
- Ongoing geophysical interpretation and target generation across the broader project area.

The announcement has been authorised for release by the Board of Australian Rare Earths Limited.

For further information please contact:

Australian Rare Earths Limited
Travis Beinke
Managing Director and CEO
T: 1 300 646 100

IR & Media Enquiries
Jessica Fertig
Tau Media
E: jessica@taumedia.com.au

Competent Person's Statement

The information in this report that relates to Exploration results is based on information compiled by Australian Rare Earths Limited and reviewed by Mr Rick Pobjoy who is the Chief Technical Officer of the Company and a member of the Australian Institute of Mining and Metallurgy (AusIMM). Mr Pobjoy has sufficient experience that is relevant to the style of mineralisation, the type of deposit under consideration and to the activities undertaken to qualify as a Competent person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Pobjoy consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

Forward-Looking Statements

This announcement contains forward-looking statements. Such statements are based on the Company's current expectations and are subject to risks and uncertainties. Actual results may differ materially from those expressed or implied. Reference to the Simandl & Paradis (2018) paper is for contextual exploration modelling purposes only.

About Australian Rare Earths Limited

Australian Rare Earths (AR3) is a diversified critical minerals company, strategically positioned to meet the growing global demand for uranium and rare earth elements:

- *AR3's Koppamurra Rare Earths Project in South Australia and Victoria is a significant deposit of light and heavy rare earths, which has secured important Australian government support through a $5 million grant to accelerate development. With support from global advanced industrial materials manufacturer, Neo Performance Materials, AR3 is progressing towards commercialisation with a Pre-Feasibility Study, Maiden Ore Reserves and a pilot scale facility, solidifying its role as a potential source of new supply to diversify global rare earth feedstocks for the clean energy transition.*
- *AR3's large ~8,000 km² Overland Uranium Project in South Australia shows strong uranium discovery potential, with initial drilling identifying opportunities for substantial near-surface and deeper deposits.*

With strategic projects and strong government support, AR3 is well placed to capitalise on significant growth in the critical minerals market.

JORC Table 1

Section 1 Sampling Techniques and Data		
Criteria	**Explanation**	**Comment**
Sampling techniques	*Nature and quality of sampling (e.g., cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g., 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g., submarine nodules) may warrant disclosure of detailed information.*	*RC Aircore drilling methods were used to obtain samples from the April/May 2026 drilling program centered on the town of Sedan, and resulting in samples generated for assay from AR3 drillhole OV167.* *The following information covers the sampling process:* *All air core samples were collected from the rotary splitter mounted at the bottom of the cyclone using a pre-numbered calico bag. The samples were geologically logged at 1 m intervals using the marked calico sample which averaged ~1.5 kg in mass.* *A handheld Olympus Vanta pXRF Analyser (Model Vanta M Series S/N 842924) was used to assess the geochemistry of the Air Core samples in the field. The pXRF analysis provided screening analysis to characterize the sample lithology and full suite of elements.* *The pXRF sampling was analysed through the calico bag with a beam count time of 20-30 sec beam 1 and 10 sec beam 2. One pXRF analysis per sample was performed.* *Samples are laid on a workbench and flattened to create a stable surface for the pXRF. The pXRF is placed on the sample with the beam down for the analysis.* *All readings were taken at ambient temperatures between 10 and 45 degrees Celsius. The Olympus Vanta is rated for continuous operation within these temperatures.* *Samples range from dry to wet, this is dependent on which formation is being intercepted and whether drilling water has been injected.* *XRF readings were downloaded from the XRF Analyser at the end of each day and uploaded to the Australian Rare Earths Azure Data Studio database.* *A Uranium standard Oreas 121 (215 ppm U, sourced from Mantra Resources Nyota Prospect, Tanzania, which is a Tabular Sandstone hosted deposit) was used to verify the accuracy of the pXRF before and after each analysis session.* *The OREAS 121 standard was prepared using an industry standard pXRF sample cup and analysed for 20-30 sec on beam 1 and 10 Sec on beam 2.* *A silica blank is used to monitor the accumulation of contamination on the lens of the pXRF. Analysis of the blank is undertaken before and after each analysis session.* *Review of pXRF standard and blank data is checked to ensure the pXRF is operating correctly before and after each session.* *Samples were selected for assay at the end of the hole based on geology, pXRF, and natural downhole gamma response.* *Field duplicates were taken at a rate of ~1:40 and inserted blindly into the sample batches.*

		Field Standards were taken at a rate of ~1:40 and inserted blindly into the samples batches. *Samples were submitted to Bureau Veritas in Adelaide, where wet and dry sample weights were recorded before oven drying at 105 degrees Celsius for a minimum of 24 hours. Samples were then secondary crushed to 3 mm and pulverised to 90% passing 75 µm, with excess residue retained for storage and selected material submitted for analysis using the XRF-ICP-MS method.* *The samples were submitted for analysis using Mixed Acid Digest – Lithium Borate Fusion ICP-MS method (BV Code SC302) with detection limits for each element shown in ppm Ag (0.2 ppm), Al (50.0 ppm), As (1.0 ppm), Au (0.01 ppm), Ba (2.0 ppm), Be (0.5 ppm), Bi (0.1 ppm), Ca (100.0 ppm), Cd (0.5 ppm), Ce (0.1 ppm), Co (1.0 ppm), Cr (20.0 ppm), Cs (0.1 ppm), Cu (1.0 ppm), Dy (0.05 ppm), Er (0.05 ppm), Eu (0.05 ppm), Fe (100.0 ppm), Ga (0.2 ppm), Gd (0.2 ppm), Hf (1.0 ppm), Ho (0.02 ppm), In (0.05 ppm), K (100.0 ppm), La (0.1 ppm), Li (10.0 ppm), Lu (0.02 ppm), Mg (50.0 ppm), Mn (50.0 ppm), Mo (0.5 ppm), Na (100.0 ppm), Nb (0.5 ppm), Nd (0.05 ppm), Ni (2.0 ppm), P (50.0 ppm), Pb (1.0 ppm), Pr (0.05 ppm), Rb (0.2 ppm), Re (0.1 ppm), S (50.0 ppm), Sb (0.1 ppm), Sc (1.0 ppm), Se (5.0 ppm), Si (50.0 ppm), Sm (0.05 ppm), Sn (0.1 ppm), Sr (0.5 ppm), Ta (0.1 ppm), Tb (0.02 ppm), Te (0.2 ppm), Th (0.1 ppm), Ti (50.0 ppm), Tl (0.1 ppm), Tm (0.05 ppm), U (0.1 ppm), V (20.0 ppm), W (0.5 ppm), Y (1.0 ppm), Yb (0.05 ppm), Zn (2.0 ppm), Zr (10.0 ppm)* *Select samples, often at the bottom of the holes thought to be weathered basement/saprolite material were also analyzed for gold using Lead collection Fire Assay AAS (BV Code FA001) where a detection limit for Au (0.01 ppm)* *Laboratory repeat analyses were completed at an approximate frequency of 1 in 16 samples.* *Commercially sourced certified reference materials were inserted by the laboratory into the sample sequence at an approximate frequency of 1 in 5 samples.* *Laboratory blanks were inserted into the sample sequence at an approximate frequency of 1 in 50 samples.* *After the hole was drilled to completion a Reflex EZ Gamma logging tool (serial number GAM-105) rented from Imdex, and operated by the drilling crew was run down the hole, inside the rods/innertube to log the natural gamma response of the sediments. The gamma tool was last calibrated by Imdex on February 19th, 2026, as noted in the provided Certificate of Conformance. Confidence check jig serial number 030.* *The survey was run in and out of the hole at a speed of no more than 10m/min and the downhole speed was reviewed after the survey.* *The up (out) survey was then used to plot sections, after reviewing both in and out.* *In previous drilling at Overland, the Reflex EZ-Gamma logging tool was checked with an EZ-Gamma Confidence Checker by AR3 staff before each downhole gamma survey to verify instrument performance. Based on the demonstrated*

		reliability and consistency of the EZ-Gamma tool during previous programs, it was determined that routine confidence checks were not necessary for this shorter drilling campaign. Instead, the repeatability of the gamma data was assessed by comparing the downhole (in-run) and uphole (out-run) surveys. *After completion of each gamma survey, the in-run and out-run datasets were reviewed and compared to confirm data repeatability and identify any significant discrepancies that could indicate instrument drift or logging issues. Any inconsistencies would have triggered further investigation and, if required, a repeat survey.* *After the gamma survey is completed, the data is uploaded to the Imdex hub IQ portal (https://iq.imdexhub.com) from the rig via satellite internet and available for review.* ***Theiss Bros. Pty. Ltd Exploration (including Hole R064)*** • *Theiss Bros Pty Ltd completed an extensive drilling campaign exploring for lignite during the late 1970's and mid-late 80's in the area detailed within this release.* • *The data presented from this early exploration work is detailed in open file envelope ENV03345 which is publicly available for download on the South Australian Resource Information Gateway (SARIG) website https://map.sarig.sa.gov.au/.* • *The drilling was a combination of "rotary chip" noted as "R" series and lesser amount of coring, often through select sections of the drillhole within the target lithology, lignite and coal. The holes which were cored were noted with a prefix of "C".* ***Theiss Bros. Pty. Ltd. Geophysical logging*** • *Downhole geophysical logging was completed on most holes including Gamma, Neutron, Density, SP, Resistivity, and Caliper.* • *Details regarding calibration, instrument details, surveying methods were often not provided in historic reports.* • *All Gamma logs are from the 70's and 80's and scanned paper copies were reviewed to determine the anomalous intersections and background gamma values.*
Drilling techniques	*Drill type (e.g., core, reverse circulation, open- hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g., core diameter, triple or standard tube, depth of diamond tails, face-sampling bit, or other type, whether core is oriented and if so, by what method, etc).*	*Drilling was completed using a Wallis "Mantis 100" air core drill rig for the drilling.* *Aircore drilling is a form of reverse circulation drilling where the sample is collected at the face and returned inside the inner tube. The drill cuttings are removed by injection of compressed air into the hole via the annular area between the inner tube and the drill rod.* *Aircore drill rods used were 3 m long.* *NQ diameter (76 mm) drill bits and rods were used.* *All aircore drill holes were vertical with depths varying between 27- 105m depth.* *Thiess Bros Pty Ltd Exploration (including hole R064)*

		• *Theiss Bros Pty Ltd completed an extensive drilling campaign exploring for lignite during the late 1970's and mid-late 80's in the area detailed within this release.* • *The "R0" series holes were rotary chip boreholes and the "C" series drillholes were cored holes* • *Drill type: "Rotary Chip- R0" and "Core-C" drillholes.* *The cored holes and intervals were not orientated.*
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.* *Measures taken to maximise sample recovery and ensure representative nature of the samples.* *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	*Drill sample recovery for aircore is monitored by recording sample condition descriptions where 'Poor' to 'Very Poor' were used to identify any samples recovered which were potentially not representative of the interval drilled.* *A comment was included where water injection was required to recover the sample from a particular interval. The use of water injection can potentially bias a sample and very little water injection was required during this drilling program.* *No significant loses of samples were observed due to the shallow drilling depths.* *Drilling commonly advanced from unconsolidated Murray Basin sediments into saprolitic bedrock, with sample quality varying in basement zones where interpreted faults were intersected. These zones were logged at one-metre intervals and assigned a sample quality attribute.* *The rotary splitter was set to an approximate 20% split, which produced approximately 1.5 kg sample for each meter interval.* *The 1.5 kg sample was collected in a pre- numbered calico bags and the remaining 80% (5 kg to 8 kg) was disposed of in a sump below the cyclone/rotary splitter.* *At the end of each drill rod, the drill string is cleaned by blowing down with air to remove any clay and silt potentially built up in the sample pipes and cyclone.* *No relationship has been identified between sample recovery and grade at this early stage of exploration.* ***Thiess Bros Pty Ltd Exploration** (including hole R064)* • *Sample recovery quality not quantified in historical reports.* • *While no direct measurements were made of sample recovery for each interval, general comments in historic reports indicate recovery was sufficient for geochemical analysis, with no material bias evident.*
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* *Whether logging is qualitative or quantitative in nature. Core (or*	*All aircore samples collected in calico bags were logged for lithology, colour, cement type, hardness, percentage rock estimate, sorting, and any relevant comments such as moisture, sample condition, or vegetation.* *Geological logging data for all drill holes was qualitatively logged onto Microsoft Excel spreadsheet using a Panasonic Toughbook with validation rules built into the spreadsheet including specific drop- down menus for each variable. The*

	costean, channel, etc) photography. The total length and percentage of the relevant intersections logged.	*data was uploaded to the Australian Rare Earths Azure Data Studio database.* *Every drill hole was logged in full and logging was undertaken with reference to a drilling template with codes prescribed and guidance to ensure consistent and systematic data collection.* *The density drilling is not sufficient to support consideration of resource estimation, or mining and no geotechnical logging was completed.* ***Thiess Bros Pty Ltd Exploration (including hole R064)*** • *Geological logging was completed for the entire drill hole.* • *Geological logs were not available for a portion of the holes* • *Geotechnical logging was undertaken for development of the Sedan lignite/coal resource.* • *From-to intervals and unit descriptions, including colour, grain size, sorting, and lithology, were systematically recorded.* • *No further logging details were provided in the historical reports.* • *The logging undertaken was not designed to support a mineral resource estimation.*
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all cores taken.* *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* *For all sample types, the nature, quality, and appropriateness of the sample preparation technique.* *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.* *Whether sample sizes are appropriate to the grain size of the material being sampled.*	*1 m aircore sample interval were homogenised within the cyclone and the rotary splitter was set to an approximate 20% split producing around 1.5 kg sample for each metre interval.* *The 1.5 kg sample was collected in a pre- numbered calico bags and the remaining 80% (5 kg to 8 kg) was disposed of in a sump below the cyclone/rotary splitter.* *Duplicates were generally taken within intervals which indicated potential for anomalous U mineralization based on geology, pXRF, and gamma signature. These duplicate samples were collected by splitting the 1m interval by emptying the sample on to a table, mixing and splitting into 1/8th subsamples and randomly assigning 4 of the splits into the duplicate and 4 remaining as the primary.* *The 1.5-2.5 kg sample collected in the calico bag was logged by the geologist onsite.* *Approximately 10-20g of sample material from each for each 1m calico sample placed in a chip tray.* *The logged calico samples were scanned with a pXRF onsite through the calico bag.* *At the end of the drillhole samples were selected for analysis.* *Samples selected for analysis were placed in polyweave bags labelled with the sample number, From-To interval, and Hole ID, then lab for analysis.* *No correction factors were applied to pXRF results.* *Field duplicates of all the samples were completed at a frequency of ~1 in 40 samples. Field standards were inserted into the sample sequence at a frequency of ~1:40. Standard reference Material (SRM) samples were inserted into the sample*

		batches at a frequency rate of 1 per 10 samples by the laboratory and a repeat sample was taken at a rate of 1 per 21 samples. *An on-site geologist oversaw the sampling and logging process and selected samples for analysis based on the logging descriptions pXRF analysis, and downhole gamma response.* ***Thiess Bros Pty Ltd Exploration*** • *No detail provided within historical reports on the sample splitting technique, moisture content, duplicates, or sample sizes of the material being sampled.*
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* *Nature of quality control procedures adopted (e.g., standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e., lack of bias) and precision have been established.*	*The detailed geological logging of samples provides lithology (sand/clay component) The 1.5 kg Air Core samples were assayed by Bureau Veritas laboratory in Wingfield, Adelaide, South Australia, which is considered the Primary laboratory.* *The samples will be initially oven dried at 105 degrees Celsius for 24 hours. Samples will be secondary crushed to 3 mm fraction and the weight recorded. The sample will then be pulverised to 90% passing 75 µm. Excess residue will be maintained for storage while the rest of the sample is placed in 8x4 packets and sent to the central weighing laboratory.* *All weighed samples will then be analysed using the Multiple Elements Fusion/Mixed Acid Digest analytical method.* *The samples were submitted for analysis using Mixed Acid Digest – Lithium Borate Fusion ICP-MS method (BV Code SC302) with detection limits for each element shown in ppm Ag (0.2 ppm), Al (50.0 ppm), As (1.0 ppm), Au (0.01 ppm), Ba (2.0 ppm), Be (0.5 ppm), Bi (0.1 ppm), Ca (100.0 ppm), Cd (0.5 ppm), Ce (0.1 ppm), Co (1.0 ppm), Cr (20.0 ppm), Cs (0.1 ppm), Cu (1.0 ppm), Dy (0.05 ppm), Er (0.05 ppm), Eu (0.05 ppm), Fe (100.0 ppm), Ga (0.2 ppm), Gd (0.2 ppm), Hf (1.0 ppm), Ho (0.02 ppm), In (0.05 ppm), K (100.0 ppm), La (0.1 ppm), Li (10.0 ppm), Lu (0.02 ppm), Mg (50.0 ppm), Mn (50.0 ppm), Mo (0.5 ppm), Na (100.0 ppm), Nb (0.5 ppm), Nd (0.05 ppm), Ni (2.0 ppm), P (50.0 ppm), Pb (1.0 ppm), Pr (0.05 ppm), Rb (0.2 ppm), Re (0.1 ppm), S (50.0 ppm), Sb (0.1 ppm), Sc (1.0 ppm), Se (5.0 ppm), Si (50.0 ppm), Sm (0.05 ppm), Sn (0.1 ppm), Sr (0.5 ppm), Ta (0.1 ppm), Tb (0.02 ppm), Te (0.2 ppm), Th (0.1 ppm), Ti (50.0 ppm), Tl (0.1 ppm), Tm (0.05 ppm), U (0.1 ppm), V (20.0 ppm), W (0.5 ppm), Y (1.0 ppm), Yb (0.05 ppm), Zn (2.0 ppm), Zr (10.0 ppm)* *Select samples, often at the bottom of the holes thought to be weathered basement/saprolite material were also analyzed for gold using Lead collection Fire Assay AAS (BV Code FA001) where a detection limit for Au (0.01 ppm)*

		Field duplicates were collected and submitted at a frequency of ~1 per 40 samples. *Bureau Veritas completed internal QA/QC checks prior to release of results, including laboratory repeats and certified reference materials inserted into the sample sequence. Laboratory repeat analyses were completed at an approximate frequency of 1 in 16 samples, commercially sourced certified reference materials were inserted at an approximate frequency of 1 in 5 samples, and laboratory blanks were inserted at an approximate frequency of 1 in 50 samples.* *Australian Rare Earths submitted field standards at a frequency of ~1:40 samples.* *Australian Rare Earths inserted field blanks at a frequency of ~1:40 samples.* *The adopted QA/QC protocols are acceptable for this stage of test work. The sample preparation and assay techniques used are industry standard and provide a total analysis* *The adopted QA/QC protocols are acceptable for this stage of test work. The sample preparation and assay techniques used are industry standard and provide a total analysis.* ***Thiess Bros Pty Ltd Exploration:*** • *The historical reports do not provide any details regarding laboratory procedures, including the use of blanks, duplicates, or external laboratory checks.* • *No information was reported on the make and model of the instruments used for downhole geophysical logging, nor on their calibration procedures or reading times.*
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.* *The use of twinned holes.* *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* *Discuss any adjustment to assay data.*	*All results are checked by the company's Chief Technical Officer.* *Field based geological logging for drill holes was entered directly into an Excel spreadsheet format with validation rules built into the spreadsheet including specific drop-down menus for each variable. This digital data was then uploaded to the Australian Rare Earths Azure Data Studio database.* *Assay data was received in digital format from the laboratory and was uploaded Australian Rare Earths Azure Data Studio database.* *Field and laboratory duplicate data pairs of each batch are plotted to identify potential quality control issues.* *Standard Reference Material sample results are checked from each sample batch to ensure they are within tolerance (<3SD) and that there is no bias.* *Assay data yielding elemental concentrations for rare earths (REE) within the sample are converted to their stoichiometric oxides (REO) in a calculation performed within the database using the conversion factors in the below table.* *Rare earth oxide is the industry accepted form for reporting rare earths. The following calculations have been used for reporting*

		throughout this report: *Note that Y2O3 is included in the TREO, HREO and CREO calculation.* ***TREO** = La2O3 + CeO2 + Pr6O11 + Nd2O3 + Sm2O3+ Eu2O3 + Gd2O3 + Tb4O7 + Dy2O3 + Ho2O3 + Er2O3 + Tm2O3 + Yb2O3 + Lu2O3+ Y2O3* ***LREO** = La2O3 + CeO2 + Pr6O11 + Nd2O3* ***HREO** = Sm2O3 + Eu2O3 + Gd2O3 + Tb4O7 + Dy2O3 + Ho2O3 + Er2O3 + Tm2O3 + Yb2O3+ Lu2O3 + Y2O3* ***TREO-Ce** = TREO - CeO2* ***NdPr** = Nd2O3 + Pr6O11* *Element Oxide* / *Oxide Factor* *CeO2* 1.2284 *Dy2O3* 1.1477 *Er2O3* 1.1435 *Eu2O3* 1.1579 *Gd2O3* 1.1526 *Ho2O3* 1.1455 *La2O3* 1.1728 *Lu2O3* 1.1371 *Nd2O3* 1.1664 *Pr6O11* 1.2082 *Sc2O3* 1.5338 *Sm2O3* 1.1596 *Tb4O7* 1.1762 *ThO2* 1.1379 *Tm2O3* 1.1421 *U3O8* 1.1793 *Y2O3* 1.2699 *Yb2O3* 1.1387 *Nb2O5* 1.4305 *TiO2* 1.6681 *Fe2O3* 1.4297 ***Thiess Bros Pty Ltd Exploration:*** • *No independent verification was noted in the historical reports by Theiss Bros.* *No twinned holes, data entry procedures, or data verification was noted in historic reports*
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* *Specification of the grid system used.* *Quality and adequacy of topographic control.*	*The drill hole collars were located using a GPS unit to identify the positions of the drill holes in the field. The handheld GPS has an accuracy of +/-5m in the horizontal.* *The datum used is GDA2020/MGA Zone 54.* *Drillhole RL has been corrected using An Australian wide SRTM. The 1 second SRTM Level 2 Derived Smoothed Digital Elevation Model (DEM-S) is derived from the 2000 SRTM. The*

		DEM-S has a ~30m grid which has been adaptively smoothed to improve the representation of the surface shape and is the preferred method for shape and vertical accuracy from STRM products. The smoothing process estimated typical improvements in the order of 2-3 m. This would make the DEM-S accuracy to be of approximately 5 m. *The accuracy of the locations is sufficient for this stage of exploration.* ***Thiess Bros Pty Ltd Exploration (including hole R064)*** • ***Drill Hole Locations:*** *Due to the historical nature of the drilling presented in this release, exact drill hole locations cannot be fully verified, as discrepancies exist between the "approximate" coordinates recorded in the original paper logs and the locations provided by SARIG.* • ***Source of Location Data:*** *The location data reported here has been sourced from SARIG records or historical reports.* • *A portion of drillholes presented within this release are not visible in the SARIG GIS map viewer and have been sourced from historical reports which listed the coordinates and provided maps which have been compiled into this release.* • *All drillhole coordinates were recorded in AMG 66, holes coordinates extracted from the ENV where required were reprojected into GDA 2020 Zone 54 using the reprojection feature in Quantum GIS software* • ***R064 is located at 3406090E, 6174702N GDA 2020 Zone 54 and was a 120mm diameter hole drilled vertically to a depth of 71.0m.***
Data spacing and distribution	*Data spacing for reporting of Exploration Results.* *Whether the data spacing, and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* *Whether sample compositing has been applied.*	*Locations of Overland drill holes are provided in the appendices of this release or have been previously reported in the companies ASX releases.* *No geological or grade continuity estimations are being determined from the Overland drilling data.* *No sample compositing has been applied.* ***Thiess Bros Pty Ltd Exploration*** • ***Geological and Grade Continuity:*** *No geological or grade continuity estimations relating to Uranium have been determined from historic exploration results.* • *Historic exploration by Theiss Bros was primarily focused on exploring for coal/lignite deposits.* • ***Purpose and Nature of Drilling:*** *The drilling formed part of a basin-wide regional exploration program targeting economic coal deposits followed by a targeted resource drilling program over the Sedan coal prospect.* *The exploration by Thiess Bros eventuated in identifying the Sedan coal resource.*

Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	*All drillholes completed by AR3 at the Overland Project were drilled vertically, as previously disclosed in the company's ASX announcements.* *No evidence of sampling bias has been identified.* *Vertical drilling is considered appropriate for the unconsolidated Murray Basin sediments, as the geology is interpreted to be relatively flat lying. However, the underlying basement lithologies may range from flat lying to steeply dipping, and drillholes that extend into basement may therefore not intersect lithologies or associated mineralisation at right angles.* *Further exploration is required to determine the orientation of the underlying basement lithologies. As a result, there is no certainty that vertical drillholes represent true widths until additional work is completed.* ***Thiess Bros Pty Ltd Exploration*** • *Vertical orientation considered appropriate for targeting flat sediments of the Murray Basin Stratigraphy.* • *No orientation bias identified.*
Sample security	*The measures taken to ensure sample security.*	*After logging, the samples in calico bags were tied and placed into polyweave bags, labelled with the drill hole and sample numbers contained within the polyweave and transported to the site laydown area, at the end of each day.* *Sample selections were determined at the drill site and at the end of the day the polyweave bags were placed into bulk bags for either sending to the lab or storage facility.* *Samples were shipped at a frequency of once every ~10 days during drilling.* *Samples were transported to the lab by AR3 personnel or by courier.* *The laboratory inspected the packages and did not report tampering of the samples and provided a sample reconciliation report for each sample dispatch.* ***Thiess Bros Pty Ltd Exploration*** • ***Sample Security:*** *The historical reports did not provide any information regarding the security or chain-of-custody measures for the samples or geophysical data.*
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	*Internal reviews were undertaken by AR3's Exploration Manager and Chief Technical Officer during the drilling, sampling, and geological logging process and throughout the sample collection and dispatch process to ensure AR3's protocols were followed.* *A review of the database was also undertaken by Wallbridge Gilbert Aztec (WGA) – Consulting Engineers.* ***Thiess Bros Pty Ltd Exploration*** *The original historic report did not record any audits or independent reviews of the sampling data for these drill holes.*

Section 2 Reporting of Exploration Results		
Criteria	**Explanation**	**Comment**
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	*Australian Rare Earths Overland project is comprised of EL7001, EL7003, EL7005, 7055, 7079, 7080, 7081 held by Valrico Resources Ltd Pty and WRDBD PTY LTD, wholly owned subsidiaries of Australian Rare Earths.* *Valrico Resources Ltd Pty completed an earn-in agreement with the license holders of EL6678 (Sheer Gold Pty Ltd) on April 24th, 2025 (see ASX announcement) covering an area of 990km2.* *Recently AR3 acquired EL6895 from private minerals explorer David Clarke. Under the agreement AR3 will acquire EL6895 for a payment of $10,000 (see ASX announcement July 10, 2025).* *The total Overland project area covers 8005km2 which includes EL7001, 7003, 7005, 7055, 6678, 6895, 7079, 7080, 7081.* *There are no Conservation Parks or Regional Reserves in the EL areas.* *The White Dam CP has been excised from the SW corner of EL7003 and southern portion of EL6678.* *The Morgan CP are located outside the SW corner of EL7003 and excised from EL6895.* *Brookfield CP has been excised from the South of EL7080.* *Swan Reach and Ridley CP have been excised from EL7079.* *Registered Native Title Determination Application SC2019/001 overlaps with the central portion of EL7003, southern portion of EL6678 and all of EL7079, EL7080, EL7081.* *Registered Native Title Determination Application SC2011/002 overlaps with the NW corner of EL7005.* *A registered and Notified Indigenous Land Use Agreement (ILUA)- The River Murray and Crown Lands SI2011/025 overlaps with the southern portion of EL7003 and northern portion of 6895.* *Details regarding royalties are discussed in chapter 3.4 of Australian Rare Earths Prospectus dated 7 May 2021.* ***Thiess Bros Pty Ltd Exploration*** • *The Thiess Bros Exploration and drilling was within historic EL429 and EL609.* • *EL429 was granted to Thiess Bros. Pty on Nov 13th, 1978. The Licence area was ~2257km2 and located ~107km from Adelaide.*
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	*Exploration activities by other exploration companies in the area have not previously targeted or identified REE mineralisation.* *Exploration activities by other exploration companies extends*

		back to the 1930's initially exploring for lignite and water by the South Australian government. *Historically the area has been explored for Base Metals, Coal, Gold, Copper, Heavy Mineral Sands, and Water.* *The most notable exploration activity was completed by Theiss Bros Pty Ltd who were exploring for economic coal deposits in the late 1970's and 1980's* *SHELL flew an airborne magnetic and radiometric survey over the area in 1999, reported in Open file envelope, ENV9588*
Geology	*Deposit type, geological setting and style of mineralisation.*	*The Overland project is targeting Paleochannel Uranium within the Murray and Renmark Group sediments of the Murray Basin.* *Sedimentary hosted uranium deposits occur in medium to coarse-grained sedimentary sequences deposited in a continental fluvial or marginal marine sedimentary environment. Impermeable shale/mudstone units are interbedded in the sedimentary sequence and often occur immediately above and below the mineralised sediments. Uranium is precipitated under reducing conditions caused by a variety of reducing agents within the permeable sediments including carbonaceous material (detrital plant debris, amorphous humate, marine algae), sulphides (pyrite, H2S), and hydrocarbons.* *Anomalous uranium within the Murray Basin occurs in carbonaceous clay and lignite of the Winnambool Formation and Geera Clay (Murray Group) of the Murray Basin, however the Renmark Group sediments have never been effectively targeted for uranium in the South Australian portion of the Murray Basin and therefore represent a highly promising new frontier for uranium exploration.* *Shallow sedimentary uranium mineralisation in secondary carbonate cementation is another style of U mineralization being targeted, similar to Namibia's surficial uranium deposits. Similar calcrete-hosted deposits are also found in Western Australia* *In addition to paleochannel uranium, AR3 is also exploring basement geology for a diverse range of mineralization styles including;* *Porphyry Cu–Au–Mo* *Skarn* *Orogenic gold* *Volcanic-hosted massive sulphides (VHMS)* *Sediment-hosted systems* *Ionic REE in weathered basement/saprolite* *AR3's exploration approach integrates historical drilling data with new basement assay results collected during ongoing paleochannel uranium drilling programs. Targeting basement-hosted Cu-Au mineralisation has been a strategic consideration from the outset.* *In 2024, GA completed a comprehensive metallogenic review of the Delamerian margin, identifying four major metallogenic events between 590 Ma and 399 Ma, associated with multiple tectonic settings (passive margin, convergent margin, intraplate, back-arc).*

		AR3's project area is underlain by convergent margin rocks and is associated with two key metallogenic phases: *505–494 Ma: Porphyry, epithermal, skarn, and VHMS mineralisation.* *495–460 Ma: Granite-related magmatism linked to porphyry Cu–Mo systems (e.g. Anabama Hill, Netley Hill, Bendigo Prospects.* *Recent drilling during April and May 2026 intersected a weathered ferro-carbonatite intrusive system containing anomalous niobium (Nb) and rare earth element (REE) mineralisation within both saprolite and underlying basement. Carbonatites are rare carbonate-rich igneous rocks and are globally recognised as the principal host for REE and niobium mineralisation. Whole-rock geochemistry and mineralogical studies confirm a classic ferro-carbonatite signature consistent with the IUGS carbonatite classification. The weathered profile developed above the intrusion may provide additional supergene enrichment of Nb and REE within the saprolite. The exploration model targets both primary carbonatite-hosted Nb-REE mineralisation within fresh basement and secondary enrichment developed within the overlying weathered profile.*
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* - *easting and northing of the drill hole collar* - *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* - *dip and azimuth of the hole* - *down hole length and interception depth* - *hole length.* *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	*The material information for drill holes relating to this report are contained within Appendices of this release.* *All material information related to AR3's drilling at the Overland Project has been previously disclosed in the company's ASX announcements.* *No new or previously unreported drilling by AR3 has been conducted.* ***Thiess Bros Pty Ltd Exploration*** • ***Drill Hole Locations**: Due to the historical nature of the drilling presented in this release, exact drill hole locations cannot be fully verified, as discrepancies may exist between the approximate coordinates recorded in the original paper logs.* • ***Source of Location Data:** The location data reported here has been downloaded from SARIG or georeferenced from historic reports.* • *All drillhole coordinates were recorded in AMG 66, holes coordinates extracted from the ENV where required were reprojected into GDA 2020 Zone 54 using the reprojection feature in Quantum GIS.* • ***R064 is located at 3406090E, 6174702N GDA 2020 Zone 54 and was a 120mm diameter hole drilled vertically to a depth of 71.0m.***
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of*	*No metal equivalents have been used.* *Significant intercepts are calculated using downhole sample length weighted averages.* *1m sample intervals were composited over continuous intervals using individual 1m TREO values >2000ppm. 1m intervals which did not contain >2000ppm TREO were not composited.* *A list of individual 1m intervals from OV167 has been*

	low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	*provided in the company's previous ASX announcement on 8 July 2026.* *Thiess Bros Pty Ltd Exploration* • *No Assays results/weighted averages were reported or used in in this release* • *Anomalous gamma readings from the Theiss Bros Pty Ltd drilling was read from scanned paper gamma logs and anomalism ~ equal to 2x background and/or >100cps was determined to be anomalous.*
Relationship between mineralization widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	*All intercepts reported are down hole lengths.* *Due to limited structural data from historical records, the relationship between drilling orientation and the orientation of mineralised structures remains uncertain.*
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	*Diagrams are included in the body of this release.*
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	*This release contains all drilling results that are consistent with the JORC guidelines. Where data may have been excluded, it is considered not material.* *All drilling and historic work referred to in this report is available on SARIG*
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	***Geophysical Data*** • *1999 SHELL airborne magnetic survey grid data, reported in open file envelope ENV9588, was reviewed and interpreted by John Donohue, Principal Geophysicist from GeoDiscovery Group, Brisbane* ***Airborne Magnetics*** • *Grid filtering and enhancements were undertaken on the 1999 SHELL airborne magnetic survey grid data (80m line spacing). 3D smooth modelling of the magnetic data was completed using Geosoft's Voxi mag modelling program using the Magnetic Vector Inversion (MVI) mode. MVI mode accommodates potential remanence effects in the magnetic data. Selected 2.5D modelling (NSSF) profile grid data was also undertaken using ModelVision program.* *No additional meaningful and material data has been excluded from this release*

Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	*Additional work will consist of (but not limited to) continued desktop review and reprocessing of historical geophysical and geological data to assist with target generation.* *Air Core drilling, downhole gamma logging, and sampling.* *Additional EPEPR applications to expand exploration across the broader tenure.* *Further work will include reprocessing of AEM data, infill sampling during uranium drilling, and potential RC or diamond drilling of priority basement targets identified in this review.* *If warranted, follow up geophysical surveys*