AUSTRALIAN RARE EARTHS LIMITED

ACN 632 645 302

NOTICE OF ANNUAL GENERAL MEETING
EXPLANATORY MEMORANDUM

Date of Meeting

Wednesday, 26 November 2025

Time of Meeting

2:00 pm (Adelaide time)

Place of Meeting

Offices of Grant Thornton Australia Limited
Level 3, 170 Frome Street
Adelaide, South Australia

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisors prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary, Mr Noel Whitcher, on (+61) 422 352 961.

Shareholders who are unable to attend the Annual General Meeting, are encouraged to lodge their proxy forms online at: https://automicgroup.com.au, or by mail, in accordance with instructions contained on the proxy form and within this Notice of Meeting.

AUSTRALIAN RARE EARTHS LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Australian Rare Earths Limited (ACN 632 645 302) (**Company**) will be held at the Grant Thornton Australia Limited, Level 3, 170 Frome Street, Adelaide, South Australia on Wednesday, 26 November 2025 at 2:00 pm (Adelaide time). The business to be considered at the Meeting is set out below.

If it becomes necessary or appropriate to make alternative meeting location or participation arrangements to those set out in this Notice, the Company will notify Shareholders accordingly via the Company's website at **www.ar3.com.au** and the ASX announcements platform.

The Directors strongly encourage all Shareholders to lodge proxy forms prior to the Meeting. Shareholders can lodge their proxies online at https://automicgroup.com.au or otherwise by returning a completed proxy form. Instructions on how to complete a proxy form are set out in the Explanatory Memorandum. Proxy forms must be received by no later than 2:00 pm (Adelaide time) on Monday, 24 November 2025.

If you have elected to receive notices from the Company electronically, then your personalised proxy form will be emailed to you. For other Shareholders, a copy of your personalised proxy form will be sent to you by mail.

The Company advises that a poll will be conducted for voting on all Resolutions being considered at the Meeting.

Shareholders who are unable to attend the Annual General Meeting are encouraged to lodge their proxy forms online at: https://automicgroup.com.au , or by mail, in accordance with instructions contained on the proxy form and within this Notice of Meeting.

Questions

Shareholders will have an opportunity to ask questions on the items of business during the Meeting, including an opportunity to ask questions of the Company's Auditor, Grant Thornton.

Shareholders are encouraged to submit any written questions ahead of the AGM relating to the business of the meeting, including questions for the Company's Auditor, Grant Thornton. Questions for the Company's Auditor must relate to the content of the Auditor's report or the conduct of the audit of the Financial Report.

Written questions must be received by the Company no later than 5.00 pm (Adelaide time) on Wednesday, 19 November 2025. You can send any written questions to:

Mail: 'Australian Rare Earths Limited AGM' at Level 10, 111 Gawler Place, Adelaide, SA, 5000

Email: noel@ar3.com.au

The Chair will endeavour to address as many of the more frequently raised relevant questions as possible during Meeting. However, there may not be sufficient time available at the Meeting to address all of the questions raised. Please note that individual responses will not be sent to Shareholders.

Other Company documents and how to update your communication preferences

- A copy of the Company's 2025 Annual Report is available online at the Company's website **www.ar3.com.au**.
- In order to receive shareholder communications from the Company electronically, instead of by post, go to https://automicgroup.com.au to register your details and update your communication preferences.

The Explanatory Memorandum to this Notice of Meeting provides additional information on matters to be considered at the Meeting.

The Explanatory Memorandum and proxy form comprise part of this Notice of Meeting. Shareholders are urged to vote by completing and lodging their proxies online at https://automicgroup.com.au or otherwise by returning a completed proxy form by no later than 2:00 pm (Adelaide time) on Monday, 24 November 2025.

Terms and abbreviations used in the Notice of Meeting and Explanatory Memorandum are defined in the Glossary of the Explanatory Memorandum.

AGENDA

The Explanatory Memorandum that accompanies and forms a part of this Notice of Annual General Meeting describes the matters to be considered at the Meeting.

GENERAL BUSINESS

FINANCIAL STATEMENTS AND REPORT

To receive and consider the Financial Report for the year ended 30 June 2025 and the reports of the Directors and Auditor, as set out in the 2025 Annual Report.

ORDINARY BUSINESS

RESOLUTION 1 – REMUNERATION REPORT

To consider and, if thought fit, pass the following Resolution as an Ordinary Resolution:

'That the Remuneration Report for the year ended 30 June 2025 as set out in the 2025 Annual Report be adopted.'

Note: This resolution is advisory only and does not bind the Company or the Directors.

RESOLUTION 2 – RE-ELECTION OF ANGUS BARKER AS A DIRECTOR

To consider and, if thought fit, pass the following Resolution as an Ordinary Resolution:

'That Mr Angus Barker be re-elected as a Non-Executive Director of the Company.'

RESOLUTION 3 – APPROVAL TO ISSUE UNLISTED PERFORMANCE RIGHTS TO MANAGING DIRECTOR TRAVIS BEINKE

To consider and, if thought fit, pass the following Resolution as an Ordinary Resolution:

'To approve the grant of 7,889,088 Performance Rights to Mr Travis Beinke, Managing Director of the Company, or his nominee, as described in the Explanatory Memorandum.'

RESOLUTION 4 – APPROVAL TO ISSUE UNLISTED ZERO EXERCISE PRICE OPTIONS (ZEPOs) TO MANAGING DIRECTOR TRAVIS BEINKE

To consider and, if thought fit, pass the following Resolution as an Ordinary Resolution:

'To approve the grant of 654,490 Zero Exercise Price Options to Mr Travis Beinke, Managing Director of the Company, or his nominee, as described in the Explanatory Memorandum.'

RESOLUTION 5 – APPROVAL TO ISSUE UNLISTED OPTIONS TO NON-EXECUTIVE DIRECTOR ANGUS BARKER

To consider and, if thought fit, pass the following Resolution as an Ordinary Resolution:

'Subject to the passing of Resolution 2, to approve the grant of 1,500,000 Options to Mr Angus Barker, Independent Non-Executive Chairman of the Company, or his nominee, as described in the Explanatory Memorandum.'

RESOLUTION 6 – APPROVAL TO ISSUE UNLISTED OPTIONS TO NON-EXECUTIVE DIRECTOR PAULINE CARR

To consider and, if thought fit, pass the following Resolution as an Ordinary Resolution:

'To approve the grant of 1,500,000 Options to Ms Pauline Carr, Independent Non-Executive Director of the Company, or her nominee, as described in the Explanatory Memorandum.'

SPECIAL BUSINESS

RESOLUTION 7 – RENEWAL OF PROPORTIONAL TAKEOVER APPROVAL PROVISION

To consider and, if thought fit, pass the following Resolution as a Special Resolution:

To consider and, if thought fit, pass the following resolution as an ordinary resolution: 'That, for the purposes of section 648G(4) of the Corporations Act and Rule 161 of the Company's Constitution, the proportional takeover approval provisions contained in Rule 161 be renewed for a further period of 3 years from the date of this Annual General Meeting.'

RESOLUTION 8 – APPROVAL OF 10% ADDITIONAL PLACEMENT CAPACITY

To consider and, if thought fit, pass the following Resolution as a Special Resolution:

'That for the purpose of Listing Rule 7.1A, approval is given for the Company to issue Equity Securities totalling up to 10% of the fully paid ordinary issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the accompanying Explanatory Memorandum.'

VOTING EXCLUSIONS

RESOLUTION 1 (REMUNERATION REPORT)

For the purposes of the Corporations Act, a person appointed as a proxy must not vote (in any capacity), on the basis of that appointment, on Resolution 1 if:

- the person is either:
    - a member of the Key Management Personnel for the Company or, if the Company is part of a consolidated entity, for the entity; or
    - a Closely Related Party of such a member; and
- the appointment does not specify the way the proxy is to vote on the Resolution.

However, the Company will not disregard a vote if:

- the person is the Chair of the Meeting at which the Resolution is voted on; and
- the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company or, if the Company is part of a consolidated entity, for the entity.

RESOLUTION 3 (APPROVAL TO ISSUE UNLISTED PERFORMANCE RIGHTS TO MANAGING DIRECTOR TRAVIS BEINKE)

The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of Mr Travis Beinke (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company), and associates of those persons.

However, this does not apply to a vote cast in favour of Resolution 3 by:

a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or

b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or

c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
- the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 4 (APPROVAL TO ISSUE UNLISTED ZERO EXERCISE PRICED OPTIONS TO MANAGING DIRECTOR TRAVIS BEINKE)

The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of Mr Travis Beinke (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company), and associates of those persons.

However, this does not apply to a vote cast in favour of Resolution 4 by:

a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or

b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or

c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
- the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 5 (APPROVAL TO ISSUE UNLISTED OPTIONS TO NON-EXECUTIVE DIRECTOR ANGUS BARKER)

The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of Mr Angus Barker (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company), and associates of those persons.

However, this does not apply to a vote cast in favour of Resolution 5 by:

a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or

b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or

c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
- the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 6 (APPROVAL TO ISSUE UNLISTED OPTIONS TO NON-EXECUTIVE DIRECTOR PAULINE CARR)

The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of Ms Pauline Carr (or her nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company), and associates of those persons.

However, this does not apply to a vote cast in favour of Resolution 6 by:

a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or

b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or

c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
- the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 8 (APPROVAL OF 10% ADDITIONAL PLACEMENT CAPACITY)

For the purposes of the Listing Rules, the Company will disregard any votes cast in favour of Resolution 8 by or on behalf of any person who may participate in the proposed issue, or who might obtain a benefit (other than a benefit solely in the capacity of a holder of Shares) if Resolution 8 is passed, and any associates of such person.

However, this does not apply to a vote cast in favour of Resolution 8 by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

As at the date of this Notice of Meeting the Company has no specific plans to issue Equity Securities pursuant to Listing Rule 7.1A or under Resolution 8 (if approved), therefore it is not known who (if any) may participate in a potential (if any) issue of Equity Securities under Listing Rule 7.1A (if approved).

VOTING, PROXIES AND QUESTIONS

VOTING BY PROXY

Shareholders are encouraged to lodge proxy forms prior to the Meeting in accordance with the instructions contained on the proxy form and within this Notice of Meeting as detailed below.

Appointment of proxies and corporate representatives

A Shareholder entitled to attend, and vote is entitled to appoint up to two proxies. A proxy need not be a Shareholder and may be either an individual or a body corporate.

If a Shareholder is a corporation, it can attend and vote at the meeting by appointing an individual person to act as its corporate representative or by appointing a proxy to attend and vote on its behalf. A Shareholder that is a body corporate, or a proxy who is a body corporate, will need to ensure that it appoints an individual as its corporate representative to exercise its powers at the Meeting and provides satisfactory evidence of the appointment of its corporate representative prior to commencement of the meeting.

Where a Shareholder wishes to appoint two proxies, they can do so online at https://automicgroup.com.au . A Shareholder appointing two proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints two proxies but fails to specify the proportion or number of votes that each may exercise, each proxy appointed may exercise half the Shareholder's votes. Fractions of votes are to be disregarded. If your proxy chooses to vote, they must vote in accordance with your directions. If you have directed your proxy to vote, and they do not participate in the meeting or choose not to vote on a poll, then the Chair of the Meeting will become your proxy by default and vote your proxies as directed by you (subject to applicable voting restrictions).

Subject to the voting restrictions set out below, if you do not direct your proxy to vote by marking the relevant box on the proxy form, your proxy may vote as they choose on that item of business.

If your proxy does not participate in the meeting, the Chair will become your proxy by default. The Chair intends to vote all available proxies in accordance with the Board recommendations set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting.

Generally, the Key Management Personnel (KMP) of the Company (which includes each of the Directors) and their Closely Related Parties will not be able to vote your proxy on Resolutions 1, 3, 4, 5 and 6 unless you have directed them how to vote or you have appointed the Chair as your proxy. The circumstances in which KMP will be excluded from voting on Resolutions 1, 3, 4, 5 and 6 are set out above under the heading 'Voting Exclusions'.

Generally, each Director and their respective associates will not be able to vote your proxy in favour of Resolutions in which the respective Director or their associates have an interest (being Resolution 5 for Mr Barker, Resolutions 3 and 4 for Mr Beinke, and Resolution 6 for Ms Carr) unless you have directed them how to vote or you have appointed the Chair as your proxy. The circumstances in which Directors and their respective associates will be excluded from voting in favour of Resolutions 1, 3, 4, 5, and 6 are set out above under the heading 'Voting Exclusions'.

If you intend to appoint a member of the KMP as your proxy, please ensure that you direct them how to vote on Resolutions 1, 2, 3, 4, 5, and 6. If you intend to appoint the Chair of the Meeting as your proxy, you can direct the Chair how to vote on Resolutions 1, 2, 3, 4, 5, and 6 by marking the relevant boxes on the proxy form. However, if the Chair of the Meeting is your proxy (or becomes your proxy by default) and you do not mark any of the boxes opposite Resolutions 1, 2, 3, 4, 5, and 6 by completing and submitting the proxy form you will be deemed to have expressly authorised the Chair to vote as the Chair decides.

To be valid, the proxy form, and any authority under which the form is signed, must be received by the Company or the Company's Share Registry prior to 2:00 pm (Adelaide time) on Monday, 24 November 2025.

Voting by Attorney

A Shareholder entitled to attend, and vote may appoint an attorney to act on his or her behalf at the Meeting. An attorney may, but need not, be a Shareholder of the Company.

An attorney may not vote at the Meeting unless the instrument appointing the attorney, and the authority under which the instrument is signed or a certified copy of the authority, are received by the Company in the same manner, and by the same time, as outlined above for proxy forms.

Proxy Lodgement

Proxies are able to be lodged by the following means:

Online:	Enter the control number, SRN/HIN and postcode shown on the first page of your proxy form at https://investor.automic.com.au/#/loginsah
Mail:	Australian Rare Earths Limited C\O Automic, GPO Box 5193, Sydney NSW 2001
In person:	Automic, Level 5, 126 Phillip Street, Sydney, NSW 2000
Custodian Voting:	Custodian Voting is available for Intermediary Online subscribers only (Custodians) by visiting https://automicgroup.com.au to submit your voting intentions.

To be valid, the proxy form, and any authority under which the form is signed, must be received by the Company or the Company's Share Registry prior to 2:00 pm (Adelaide time) on Monday, 24 November 2025. Any proxy forms received after that time will not be valid for the Meeting.

ENTITLEMENT TO VOTE

For the purpose of determining the voting entitlements at the meeting, the Board has determined that, in accordance with the Company's Constitution and the Corporations Act, the shares in the Company will be taken to be held by the registered holders of those shares at 7.00 pm (Sydney time) on Monday, 24 November 2025. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

By order of the Board

Noel Whitcher
Company Secretary

24 October 2025

EXPLANATORY MEMORANDUM

Introduction

This Explanatory Memorandum forms part of the Notice of Meeting and has been prepared to provide Shareholders with material information to enable them to make an informed decision on the business to be conducted at the Annual General Meeting of Shareholders to be held at the Grant Thornton Australia Limited, Level 3, 170 Frome Street, Adelaide, South Australia on Wednesday, 27 November 2024 at 2:00 pm (Adelaide time).

This Explanatory Memorandum should be read in full and in conjunction with the accompanying Notice of Annual General Meeting before making any decision in relation to the resolutions and is a brief explanation of Resolutions 1 to 8 in the Notice of Annual General Meeting and why the Company is seeking Shareholder approval.

Terms defined in the Notice of Meeting have the same meaning in this Explanatory Memorandum.

FINANCIAL STATEMENTS AND REPORT

As required by section 317 of the Corporations Act, the Financial Report, Directors' Report and the Auditor's Report for the most recent financial year ended 30 June 2025 will be laid before the Meeting.

This Item does not require a formal resolution to be put to the Meeting and there is no requirement for Shareholders to approve these reports.

During this item of business, Shareholders will be given reasonable opportunity to ask questions about the reports and the business and management of the Company. Also, Shareholders will be given a reasonable opportunity to ask a representative of the Company's Auditor, Grant Thornton, questions in relation to the conduct of the audit (including the independence of the Auditor), and the accounting policies adopted by the Company.

RESOLUTION 1 - REMUNERATION REPORT

The Remuneration Report for the financial year ended 30 June 2025 is set out in the Directors' Report within the 2025 Annual Report, which is available on the Company's website: **www.ar3.com.au**. The Remuneration Report sets out the Company's remuneration arrangements for Directors, and members of the Company's Key Management Personnel.

Section 300A of the Corporations Act requires the Directors to include a Remuneration Report in their report for the financial year. Section 250R(2) of the Corporations Act requires the Remuneration Report to be put to a vote at the Company's Annual General Meeting. The vote on the Resolution is advisory only and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing remuneration practices and policies.

The Board believes the Company's remuneration policies and structures as outlined in the Remuneration Report are appropriate relative to the size of the Company and stage of its business.

A reasonable opportunity will be provided for Shareholders to ask questions about the Remuneration Report at the meeting before calling for a vote.

Board Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 1.

RESOLUTION 2 - RE-ELECTION OF DIRECTOR

In accordance with Rule 6.1 of the Constitution, at each annual general meeting of the Company one third of Directors must retire from office (with the exception of the Managing Director). A retiring Director is eligible for re-election.

Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting.

In accordance with Rule 6.1 of the Company's Constitution and Listing Rule 14.5, director Mr Angus Barker retires and being eligible, offers himself for re-election.

The qualifications and experience of Mr Barker is set out below.

Mr Angus Barker

M.Phil., B. Com (Hons), MAICD

Mr Barker is Chairman of Australian Rare Earths, Deputy Chairman and Lead Independent Director of lithium project developer, Vulcan Energy Resources, and a Director of listed investment company WAM Capital.

Before this, he served as Chief of Staff or Senior Adviser to Australian Government ministers in the key economic portfolios of Trade & Investment, and Superannuation & Financial Services. Previously, he held senior executive roles at top-tier global investment banks across Australia, the United Kingdom and Asia, including 12 years based in Hong Kong.

Board Recommendation

The Board (with Mr Barker abstaining) recommends that shareholders vote in favour of Resolution2.

The Chair of the Meeting intends to vote all undirected proxies in favour of Resolution 2.

RESOLUTIONS 3, AND 4 – APPROVAL TO ISSUE PERFORMANCE RIGHTS AND ZERO EXERCISE PRICE OPTIONS TO MANAGING DIRECTOR, TRAVIS BEINKE

Under the ASX Listing Rules prior shareholder approval must be obtained prior to the issue of any equity instruments to Directors of an ASX listed entity. As Managing Director, Mr Travis Beinke is an executive Director of the Company. Details of the proposed issue of equity instruments to Mr Beinke are provided below.

1. **General**

The Company has agreed, subject to obtaining Shareholder approval, to issue Performance Rights and Zero Exercise Price Options to Mr Beinke as part of his incentive based remuneration package. Resolutions 3 and 4 seek Shareholder approval for the grant of these instruments to Mr Beinke (or his nominee):

(a) <u>7,889,088 Performance Rights to Mr Travis Beinke</u>. These performance rights are being issued under the Company's Long Term Incentive Plan (LTIP) for the 2026 financial year and form part of part of Mr Beinke's at risk remuneration for the year ending 30 June 2026.

These performance rights will be assessed at the end of three years, being 30 June 2028, and will only vest if the Company's Relative Total Shareholder Return (rTSR) exceeds that of the performance of AR3's peer group (this accounts for 70%) and /or strategic milestones as set by the Board (this accounts for 30%) are met. Once assessed any awarded Performance Rights will vest in three equal tranches (1 July 2028, 1 July 2029 and 1 July 2030. Mr Beinke must be an AR3 Group employee as at the vesting date of each tranche in order to receive the vested options.

The potential maximum number of performance rights to be granted to Mr Beinke (and other LTIP participants) under the LTIP for the 2026 financial year has been calculated as his total fixed remuneration as at the commencement of the FY26 financial year (being 1 July 2025) , multiplied by his maximum LTIP participation percentage, divided by the Market Value. The Market Value is the market value of a fully paid ordinary share in the Company, calculated using the 30-day VWAP, up to and including 30 June 2025, being $0.0559.

The Market Value is set on the same consistent basis as applied in the previous 2 financial years for Mr Beinke, being the 30-day VWAP, up to and including 30 June of the applicable year. The VWAPs applied to previous years' LTIP to calculate the Market value was: 30 June 2023 $0.3288, 30 June 2024 $0.0923.

The full terms and conditions of the Related Party Performance Rights to be issued to Mr Beinke are set out in Annexure A.

(b) 654,490 Zero Exercise Price Options to Mr Travis Beinke. These Unlisted Options relate to the Short Term Incentive awarded to Mr Beinke for the financial year ended 30 June 2025.

As per the 2025 Remuneration Report in the Annual Report, the Board has determined that rather than paying out the FY25 Short Term Incentive (STI) solely in cash that 25% of the FY25 STI awarded to participants for the year ended 30 June 2025 be paid in the form of Zero Exercise Price Options with the balance being paid in cash).

Mr Beinke's FY25 STI award totalled $146,344 (including statutory superannuation). As such shareholder approval is being sought to pay him $36,586 in the form of Zero Exercise Price Options.

The quantum of Options to be issued has been determined by the volume weighted average market price (as defined in the ASX Listing Rules) of the Company's shares over the last thirty (30) days on which sales in the Company's shares were recorded to 30 June 2025 (being $0.0559). This is the same calculation used by the Company for the LIP (see section 1a above).

The full terms and conditions of the Related Party Unlisted Options to be issued to Mr Beinke are set out in Annexure B.

2. **Chapter 2E of the Corporations Act**

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

(a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and

(b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of Related Party Options constitutes giving a financial benefit, and Mr Beinke is a related party of the Company.

The Directors consider that shareholder approval pursuant to Chapter 2E of the Corporations Act is not required because the grant of the Related Party Performance Rights is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

3. **Listing Rule 10.11**

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

(a) a related party;

(b) a person who is, or was at any time in the six months before the issue or agreement, a substantial (30%+) holder in the company;

(c) a person who is, or was at any time in the six months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;

(d) an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or

(e) a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of the Related Party Rights falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of the Company's shareholders under Listing Rule 10.11.

Resolutions 3 and 4 seek the required shareholder approval to the issue of the Related Party Rights under and for the purposes of Listing Rule 10.11.

If Resolutions 3 or 4 are passed, the Company will be able to proceed with the issue of the Related Party Rights the subject of that Resolution.

If either of Resolutions 3, or 4 is not passed, the Company will not be able to proceed with the issue of the Related Party Rights or Shares the subject of that Resolution and may need to consider other ways to remunerate the relevant Related Party as part of his incentive based remuneration package.

4. **Technical Information required by Listing Rule 10.13**

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolutions 4 and 5:

(a) The Related Party Rights will be issued to Mr Beinke, or his respective nominees.

(b) Mr Beinke is a related party under Listing Rule 10.11.1.

(c) The number of Related Party Rights to be issued is as follows:

(ii) Mr Beinke: 7,889,088 Rights, and

(ii) Mr Beinke: 654,490 Zero Exercise Price Options.

(d) The terms and conditions of the Related Party Rights to be issued to Mr Beinke is set out in Annexure A.

The terms and conditions of the Related Party Options to be issued to Mr Beinke is set out in Annexure B.

(e) The Related Party Rights will be granted no later than one month after the date of the Meeting.

(f) The Related Party Rights will not be issued for cash consideration.

(g) The Related Party Rights will be issued to Mr Beinke as part of his incentive based remuneration package, and accordingly no funds will be raised by the issue.

(h) Details of the Related Parties current total remuneration package are as follows:

(i) Key details of Mr Beinke's current remuneration package as Managing Director are set out in Annexure C.

(i) The Related Party Options to be issued to Mr Beinke is not issued under an agreement.

Board Recommendation

The Board (with Mr Beinke abstaining in respect of Resolutions 3 and 4) recommends that shareholders vote in favour of Resolutions 3, and 4.

The Chair of the Meeting intends to vote all undirected proxies in favour of Resolutions 3 and 4.

Please note that if the Chair of the Meeting is your proxy (or becomes your proxy by default), you expressly authorise the Chair to exercise your proxy on Resolutions 3, and 4 even though they are connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company, which includes the Chair. If you appoint the Chair as your proxy, you can direct the chair to vote for or against or abstain from voting on Resolutions 3 and 4 by marking the appropriate box on the proxy form.

The passing of Resolutions 3 and 4 are not conditional upon, and subject to, the passing of any other Resolution.

RESOLUTIONS 5 AND 6 – APPROVAL TO ISSUE UNLISTED OPTIONS TO NON-EXECUTIVE DIRECTOR ANGUS BARKER AND NON-EXECUTIVE DIRECTOR PAULINE CARR

Under the ASX Listing Rules prior shareholder approval must be obtained prior to the issue of any equity instruments to Directors of an ASX listed entity. Mr Barker and Ms Carr are independent non-executive Directors of the Company. Details of the proposed issue of equity instruments to them are provided below.

1. **General**

The Company has agreed, subject to obtaining Shareholder approval, to issue Options to two of its current Directors as part of their remuneration package. Resolutions 5 and 6 seek Shareholder approval for the grant of Options to the following current Directors (or their nominees):

(a) 1,500,000 Options to Mr Angus Barker (subject to the passing of Resolution 2). Each Option has an exercise price being 45% above the VWAP of the Company's shares over the last ten days on which sales in the Company's shares were recorded prior to the Company's AGM and, subject to vesting, is exercisable at any time during the period commencing on the date of issue and expiring on the third anniversary of the date of issue. The full terms and conditions of the Related Party Options to be issued to Mr Barker is set out in Annexure D; and

(b) 1,500,000 Options to Ms Pauline Carr. Each Option has an exercise price being 45% above the VWAP of the Company's shares over the last ten days on which sales in the Company's shares were recorded prior to the Company's AGM and, subject to vesting, is exercisable at any time during the period commencing on the date of issue and expiring on the third anniversary of the date of issue. The full terms and conditions of the Related Party Options to be issued to Ms Carr is set out in Annexure E.

(**Related Party Options**).

2. Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

(a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and

(b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of Related Party Options constitutes giving a financial benefit, and Mr Barker and Ms Carr are related parties of the Company by virtue of being Directors.

The Directors consider that shareholder approval pursuant to Chapter 2E of the Corporations Act is not required because the grant of the Related Party Options is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

3. Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

(a) a related party;

(b) a person who is, or was at any time in the six months before the issue or agreement, a substantial (30%+) holder in the company;

(c) a person who is, or was at any time in the six months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;

(d) an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or

(e) a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of the Related Party Options falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of the Company's shareholders under Listing Rule 10.11.

Resolutions 5 and 6 seek the required shareholder approval to the issue of the Related Party Options under and for the purposes of Listing Rule 10.11.

If either of Resolutions 5 or 6 is passed, the Company will be able to proceed with the issue of the Related Party Options the subject of that Resolution.

If either of Resolutions 5 or 6 is not passed, the Company will not be able to proceed with the issue of the Related Party Options the subject of that Resolution and may need to consider other ways to remunerate the relevant Director as part of his incentive based remuneration package.

4. **Technical Information required by Listing Rule 10.13**

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolutions 5 and 6:

(a) The Related Party Options will be issued to Mr Barker (subject to the passing of Resolution 2), and Ms Carr or their respective nominees.

(b) Each of Mr Barker and Ms Carr is a Director of the Company and therefore a related party under Listing Rule 10.11.1.

(c) The number of Related Party Options to be issued is as follows:

(i) Mr Barker: 1,500,000 Options (subject to the passing of Resolution 2); and

(ii) Ms Carr: 1,500,000 Options.

(d) The terms and conditions of the Related Party Options to be issued to Mr Barker is set out in Annexure D.

The terms and conditions of the Related Party Options to be issued to Ms Carr is set out in Annexure E.

(e) The Related Party Options will be granted no later than one month after the date of the Meeting.

(f) The Related Party Options will not be issued for cash consideration.

(g) The Related Party Options will be issued to Mr Barker and Ms Carr as part of their remuneration package, and accordingly no funds will be raised by the issue.

(h) Details of each Director's current total remuneration package are as follows:

(i) Mr Barker: $147,000 (inclusive of superannuation) per annum

(ii) Ms Carr: $96,585 (inclusive of superannuation) per annum.

(i) The Related Party Options to be issued to Mr Barker and Ms Carr are not issued under an agreement.

Reasons for proposing the resolution

Company policy is to remunerate non-executive Directors at market rates for comparable companies for their time, commitment, and responsibilities. The Remuneration and Nomination Committee reviews non-executive Director remuneration annually taking into consideration benchmarking data, market practice, duties and accountabilities and makes recommendations to the Board accordingly.

To align Directors' interests with shareholder interests, Board members are encouraged to hold shares in the Company and are further incentivised to seek long term value creation for shareholders through the issue of Unlisted Options to them.

Board Recommendation

The Board (with Mr Barker abstaining in respect of Resolution 5 and Ms Carr abstaining in respect of Resolution 6) recommends that shareholders vote in favour of Resolutions 5 and 6.

The Chair of the Meeting intends to vote all undirected proxies in favour of Resolutions 5 and 6.

Please note that if the Chair of the Meeting is your proxy (or becomes your proxy by default), you expressly authorise the Chair to exercise your proxy on Resolutions 5 and 6 even though they are connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company, which includes the Chair. If you appoint the Chair as your proxy, you can direct the chair to vote for or against or abstain from voting on Resolutions 5 and 6 by marking the appropriate box on the proxy form.

The passing of Resolution 5 is conditional upon, and subject to, the passing of Resolution 2. Accordingly, if you intend to vote in favour of Resolution 5 you should also vote in favour of Resolution 2.

The passing of Resolution 6 is not conditional upon, and subject to, the passing of any other Resolution.

RESOLUTION 7 – RENEWAL OF PROPORTIONAL TAKEOVER PROVISIONS

Proportional takeover provisions in the Company's Constitution

Rule 161 of the Company's Constitution contains proportional takeover approval provisions, which require shareholder approval before the registration of any transfer of shares resulting from a proportional takeover bid. These provisions are designed to give shareholders the opportunity to vote on whether such a bid should proceed.

Under section 648G(1) of the Corporations Act, these provisions automatically cease to apply 3 years after their adoption or most recent renewal unless extended by shareholders. This resolution seeks shareholder approval to renew the proportional takeover approval provisions in Rule 161 for a further 3 year period, ensuring they remain in effect until the Company's 2028 Annual General Meeting.

What is a proportional takeover bid?

A proportional takeover bid is a takeover offer sent to all shareholders but only in respect of a specified portion of each shareholder's shares. Accordingly, if a shareholder accepts in full the offer under a proportional takeover bid, it will dispose of the specified portion of its shares in the Company and retain the balance of the shares.

Effect of the provisions to be renewed

If renewed, under rule 161 of the Constitution, in the event that a proportional takeover offer is made to Shareholders of the Company, the Board of the Company will be required to convene a meeting of Shareholders to vote on a resolution to approve the proportional takeover. That meeting must be held by the 14th day before the last day of the bid period.

The resolution shall be taken to have been passed if a majority of shares voted at the meeting, excluding the shares of the bidder and its associates, vote in favour of the resolution. If no resolution is voted on by the 14th day before the last day of the bid period, the resolution will be deemed to have been passed. Where the resolution approving the offer is passed or deemed to have been passed, transfers of shares resulting from accepting the offer will be registered provided they otherwise comply with the Corporations Act, the ASX Listing Rules, the ASTC Operating Rules and the Company's Constitution. If the resolution is rejected, then in accordance with the Corporations Act the offer will be deemed to be withdrawn.

Reasons for proposing the resolution

The Directors consider that Shareholders should have the opportunity to renew rule 161 in the Constitution. Without rule 161, a proportional takeover bid for the Company may enable effective control of the Company to be acquired without Shareholders having the opportunity to dispose of all of their shares to the bidder. Accordingly, Shareholders could be at risk of passing control to the bidder without payment of an adequate control premium for all their shares whilst leaving themselves as part of a minority interest in the Company.

Without rule 161 of the Constitution, if there were a proportional takeover bid and Shareholders considered that control of the Company was likely to pass, Shareholders would be placed under pressure to accept the offer even if they did not want control of the Company to pass to the bidder. Renewing rule 161 of the Constitution will make this situation less likely by permitting Shareholders to decide whether a proportional takeover bid should be permitted to proceed.

Potential advantages and disadvantages for the Directors and Shareholders of the Company

The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential advantages for Shareholders include the following:

a) Shareholders have the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;

b) they may assist Shareholders from being locked in as a minority;

c) they increase the bargaining power of Shareholders and may assist in ensuring that any proportional takeover bid is adequately priced; and

d) each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders and assist in deciding whether to accept or reject an offer under the takeover bid.

The potential disadvantages for Shareholders include the following:

a) proportional takeover bids for shares in the Company may be discouraged;

b) Shareholders may lose an opportunity to sell some of their shares as a premium; and

c) the likelihood of a proportional takeover bid succeeding may be reduced.

The Directors do not believe the potential disadvantages outweigh the potential advantages of renewing the proportional takeover provisions.

While similar proportional takeover approval provisions have been in effect in the past, there have been no full or proportional takeover bids for the Company. Therefore, there has been no example against which to review the advantages or disadvantages of the provisions for the Directors and the Shareholders, respectively, during the period during which the proportional takeover provisions have been in effect. On balance, the Directors consider that the possible advantages outweigh the possible disadvantages such that renewal of rule 161 of the Constitution is in the interests of Shareholders.

10.6 **Knowledge of any acquisition proposals**

As at the date on which the Notice of Annual General Meeting was prepared, no Director of the Company is aware of any proposal by any person to acquire or to increase the extent of a substantial interest in the Company.

10.7 **Recommendation of the Board**

Resolution 7 is a Special Resolution.

The Directors consider that the renewal is in the interest of Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 7.

The Chair of the Meeting intends to vote all undirected proxies in favour of Resolution 7.

RESOLUTION 8 - APPROVAL OF 10% ADDITIONAL PLACEMENT CAPACITY

Background to Resolution 8

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the Annual General Meeting at which approval of the issue is obtained (**10% Placement Capacity**). The 10% Placement Capacity is in addition to the Company's 15% placement capacity under Listing Rule 7.1 and allows the Company to issue up to 25% of its fully paid ordinary issued capital in total.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of $300 million or less. The Company is an eligible entity at the date of this Notice of Annual General Meeting and must remain compliant with the requirements of Listing Rule 7.1A at the date of the Meeting to be able to utilise the additional capacity to issue Equity Securities under that Listing Rule.

The Company is now seeking Shareholder approval by way of a Special Resolution which requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative) to have the ability to issue Equity Securities under the 10% Placement Capacity. The exact number of Equity Securities to be issued under the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2.

Number of Shares

The formula for calculating the maximum number of securities to be issued under the 10% Placement Capacity is calculated as follows:

(A x D) – E

A The number of fully paid ordinary securities on issue at the commencement of the relevant period:

- plus, the number of fully paid ordinary securities issued in the relevant period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;
- plus, the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
    - o the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
    - o the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- plus, the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:

- o the agreement was entered into before the commencement of the relevant period; or
- o the agreement or issue was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;

- plus, the number of any other fully paid ordinary securities issued in the relevant period with approval under Listing Rule 7.1 or Listing Rule 7.4;
- plus, the number of fully paid ordinary securities that became fully paid in the relevant period;
- less the number of fully paid ordinary securities cancelled in the relevant period.

D is 10%.

E The number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by the holders of its ordinary securities under Listing Rule 7.4.

"Relevant period" means:

- if the entity has been admitted to the official list for 12 months or more, the 12 month period immediately preceding the date of the issue or agreement; or
- if the entity has been admitted to the official list for less than 12 months, the period from the date the entity was admitted to the official list to the date immediately preceding the date of the issue or agreement.

The ability to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice, the Company has on issue 212,982,244 Shares and therefore has capacity to issue:

1) 31,947,337 Equity Securities under Listing Rule 7.1; and

2) 21,298,224 Equity Securities under Listing Rule 7.1A (subject to approval of Resolution 8 in this Notice).

A number of scenarios showing potential issues under Listing Rule 7.1A are detailed in the table below.

Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Capacity as follows:

1) Minimum issue price

For the purpose of Listing Rule 7.1.A.3, securities issued under this capacity will be issued in an existing quoted class of the Company's equity and issued for a cash consideration. The issue price of Equity Securities under this 10% Placement Capacity will be no less than 75% of the VWAP for securities in that class calculated over the 15 trading days on which trades in that class were recorded immediately before:

i) the date on which the price at which the securities are to be issued is agreed; or

ii) if the securities are not issued within 10 trading days of the date in paragraph i), the date on which the securities are issued.

2) Risk of economic and voting dilution

If this Resolution is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Capacity, the existing Shareholders' voting power in the Company will be diluted as shown in the table below (in the case of Unlisted Options, only if the Unlisted Options are exercised).

There is a risk that:

i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the approval under rule 7.1A; and

ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date, which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below describes the potential dilution of existing ordinary security holders on the basis of at least three different assumed issue prices and values for the variable "A" in the formula in rule 7.1A.2, and also shows:

i) at least one example that assumes variable "A" is double the number of ordinary securities on issue at the time of the approval under rule 7.1A. Variable "A" is the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future meeting of Shareholders; and

ii) at least one example where the issue price of ordinary securities has fallen by at least 50%.

Variable 'A' in Listing rule 7.1A.2		**Dilution at different share prices**		
		$0.055 (50% decrease)	**$0.11 (Issue Price)**	**$0.22 (100% increase)**
Current Variable A 212,982,244 Shares	10% voting dilution	21,298,224 Shares	21,298,224 Shares	21,298,224 Shares
	Funds raised	$1,171,402	$2,342,804	$4,685,609
50% increase in current Variable A 319,473,366 Shares	10% voting dilution	31,947,336 Shares	31,947,336 Shares	31,947,336 Shares
	Funds raised	$1,757,103	$3,514,207	$7,028,414
100% increase in current Variable A 425,964,488 Shares	10% voting dilution	42,596,449 Shares	42,596,449 Shares	42,596,449 Shares
	Funds raised	$2,342,804	$4,685,609	$9,371,219

The table above has been prepared on the following assumptions:

i) The Company issues the maximum number of Equity Securities available under the 10% Placement Capacity;

ii) No Unlisted Options (including any Unlisted Options issued under the 10% Placement Capacity) are exercised into Shares before the date of the issue of the Equity Securities;

iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.

iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1 or as a result of any issues of Equity Securities pursuant to any other approval under Chapter 7 of the Listing Rules.

vi) The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. If the issue of Equity Securities includes Listed Options, it is assumed that those Listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.

vii) The issue price is $0.11, being the closing price of the Shares on ASX on 30 September 2025.

3) Timing

The date by which the Equity Securities may be issued is the earlier of:

i) the date that is 12 months after the date of this Annual General Meeting;

ii) the time and date of the Company's next annual general meeting; and

iii) the date of approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (change involving main undertaking).

The approval will cease to be valid in the event that holders of the Company's ordinary securities approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (change involving main undertaking).

4) Purposes for which Equity Securities may be issued

The Company may seek to issue the Equity Securities to use the funds raised towards an acquisition of new projects, assets or investments (including expenses associated with such acquisition), continued exploration or development expenditure on the Company's current assets and/or general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5 upon issue of any Equity Securities under the 10% Additional Placement Capacity.

5) Allocation Policy

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Capacity. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

1) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;

2) the effect of the issue of the Equity Securities on the control of the Company;

3) the financial situation and solvency of the Company; and

4) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Capacity have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

6) Previously obtained approval under rule 7.1A

The Company previously obtained Shareholder approval under Listing Rule 7.1A at the 2024 AGM on 27 November 2024. As such, for the purposes of rule 7.3A.6:

a) there were no Equity Securities issued under Listing Rule 7.1A.2 in the 12 months preceding the date of the meeting; and

b) details of all issues of Equity Securities issued by the Company under Listing Rule 7.1A.2 during the 12 months preceding the date of the meeting is set out in the table below:

Date of Issue, Number and Class of Equity Securities and Summary of key terms	**Names of persons who received securities or basis on which those persons were determined**	**Issue Price of Equity Securities and discount to market price[1] on the trading day prior to issue**	**Consideration** **The total consideration, the amount of cash that has been spent, what it was spent on and the intended use of the remaining funds (if any).**
Nil	Nil	Nil	Nil

1. The closing price on the trading platform, excluding special crossings and overnight sales.

Board Recommendation

Resolution 8 is a Special Resolution.

The Board considers that the approval of the issue of the 10% Placement Capacity described above is beneficial for the Company as it provides the Company with the flexibility to issue up to the maximum number of securities permitted under Listing Rule 7.1A in the next 12 months (without further Shareholder approval), should it be required.

Accordingly, the Board unanimously recommends that Shareholders vote in favour of Resolution 8.

The Chair of the Meeting intends to vote all undirected proxies in favour of Resolution 8.

ANNEXURE A – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS TO BE ISSUED TO MR BEINKE

1. The LTI links to the Company's key purpose by aligning the longer term 'at risk' incentive rewards with outcomes that match shareholder objectives and interests by:

   I. benchmarking shareholder returns against a group of companies considered alternative investments to AR3, which will be equal to a maximum of 70% of any LTI award. Incentivising participants to meet strategic milestones, equal to a maximum of 30% of any LTI award.

   II. giving share based rather than cash-based rewards to managerial and professional employees. This links their own rewards to shareholder expectations of dividends and share price growth.

2. The number of performance rights granted to Mr Beinke under the LTI is calculated as total fixed remuneration at 1 July of the financial year, multiplied by the relevant LTI Plan participation percentage, divided by the Market Value. The Market Value is the market value of a fully paid ordinary share in the Company, calculated using a thirty-day VWAP, up to and including 30 June of the preceding financial year.

3. The Company grants performance rights using the formula set out above. If the performance conditions are met, participants have the opportunity to acquire one AR3 share for every vested performance right.

4. The performance conditions are split between rTSR relative to a pool of ASX listed companies which are considered by the Board to be peers of AR3, and the achievement of strategic goals, over the three-year performance period.

5. The vesting conditions for the rTSR are such that:

   I. Below the 50th percentile against peers = 0% vesting.

   II. Between the 50th percentile and 75th percentile = 100% vesting on a straight-line basis.

   III. Greater than the 75th percentile = 100% vesting.

6. The vesting conditions for the strategic milestone are such that it is a binary outcome with vesting either 0% or 100%.

ANNEXURE B – TERMS AND CONDITIONS OF UNLISTED OPTIONS TO BE ISSUED TO MR BEINKE

1. Each Option entitles the holder to one ordinary share in the Company.

2. 654,490 Options each has a Zero Exercise Price. The quantum of Options to be issued is determined by the volume weighted average market price (as defined in the ASX Listing Rules) of the Company's shares over the last thirty (30) days on which sales in the Company's shares were recorded to June 30, 2025.

4. Each Option is exercisable in whole or in part at any time during the period commencing on the date of issue and expiring on the September 30, 2029 (**Exercise Period**). Options not exercised before the expiry of the Exercise Period will lapse.

5. Options are exercisable by notice in writing to the Board delivered to the registered office of the Company.

6. The Company will not apply to ASX for official quotation of the Options.

7. The Company will make application for official quotation on ASX of new shares allotted on exercise of the Options. Those shares will participate equally in all respects with existing issued ordinary shares, and in particular new shares allotted on exercise of the Options will qualify for dividends declared after the date of their allotment.

8. Options can only be transferred with Board approval, except that if at any time before expiry of the Exercise Period the Option holder dies, the legal personal representative of the deceased Option holder may:

   (i) elect to be registered as the new holder of the Options;

   (ii) whether or not he or she becomes so registered, exercise those Options in accordance with the terms and conditions on which they were granted; and

   (iii) if the deceased has already exercised Options, pay the exercise price in respect of those Options.

9. An Option holder may only participate in new issues of securities to holders of ordinary shares in the Company if the Option has been exercised and shares allotted in respect of the Option before the record date for determining entitlements to the issue. The Company must give prior notice to the Option holder of any new issue before the record date for determining entitlements to the issue in accordance with the ASX Listing Rules.

10. If there is a bonus issue to the holders of ordinary shares in the capital of the Company, the number of ordinary shares over which the Option is exercisable will be increased by the number of ordinary shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.

11. If the Company makes a rights issue (other than a bonus issue), the exercise price of Options on issue will be reduced according to the following formula:

$$A = \frac{O - E\,[P - (S + D)]}{(N + 1)}$$

Where:

A = the new exercise price of the Option;

O = the old exercise price of the Option;

E = the number of underlying ordinary shares into which one Option is exercisable;

P = the average closing sale price per ordinary share (weighted by reference to volume) recorded on the stock market of ASX during the five trading days immediately preceding the ex-rights date or ex entitlements date (excluding special crossings and overnight sales and exchange traded Option exercises);

S = the subscription price for a security under the pro rata issue;

D = the dividend due but not yet paid on existing underlying securities (except those to be issued under the pro rata issue); and

N = the number of securities with rights or entitlements that must be held to receive a right to one new security.

12. If, during the currency of the Options the issued capital of the Company is reorganised, those Options will be reorganised to the extent necessary to comply with ASX Listing Rules.

13. The holder of the Option agrees to be bound by the terms of the Company’s Employee Option Plan and the Constitution of Australian Rare Earths Limited, both as amended from time to time.

ANNEXURE C – MATERIAL TERMS OF EXECUTIVE DIRECTOR MR BEINKE'S EMPLOYMENT AGREEMENT (AS AT 1 JULY 2025)

Element	Employment term
Contract Duration	Indefinite. Mr Beinke's contract is subject to termination with or without cause.
Notice period for termination by AR3	3 months
Notice Period for termination by Mr Beinke	3 months
Total Fixed Remuneration	$441,000 (includes 12% statutory superannuation)
Short term incentive (STI)	Mr Beinke is eligible to participate in the Company's STI Plan for FY26 up to a maximum of 50% of his total fixed remuneration.
Long Term incentive (LTI)	Mr Beinke is eligible to participate in the Company's LTI Plan for FY26 up to a maximum of 100% of his total fixed remuneration.
Other provisions	Executive Services Agreement (Employment Agreement) contains provisions regarding duties, leave entitlements, confidentiality, intellectual property, clawback and malice provisions, restrictions and ancillary clauses.

ANNEXURE D – TERMS AND CONDITIONS OF UNLISTED OPTIONS TO BE ISSUED TO MR BARKER

1. Each Option entitles the holder to one ordinary share in the Company.

2. 1,500,000 Options each has an exercise price being 45% above the volume weighted average market price (as defined in the ASX Listing Rules) of the Company's shares over the last ten (10) days on which sales in the Company's shares were recorded prior to the Company's 2025 AGM (rounded up to the next whole cent).

4. Each Option is exercisable in whole or in part at any time during the period commencing on the date of issue and expiring on the third anniversary of the date of issue (**Exercise Period**). Options not exercised before the expiry of the Exercise Period will lapse.

5. Options are exercisable by notice in writing to the Board delivered to the registered office of the Company and payment of the exercise price per Option in cleared funds.

6. The Company will not apply to ASX for official quotation of the Options.

7. The Company will make application for official quotation on ASX of new shares allotted on exercise of the Options. Those shares will participate equally in all respects with existing issued ordinary shares, and in particular new shares allotted on exercise of the Options will qualify for dividends declared after the date of their allotment.

8. Options can only be transferred with Board approval, except that if at any time before expiry of the Exercise Period the Option holder dies, the legal personal representative of the deceased Option holder may:

   (i) elect to be registered as the new holder of the Options;

   (ii) whether or not he or she becomes so registered, exercise those Options in accordance with the terms and conditions on which they were granted; and

   (iii) if the deceased has already exercised Options, pay the exercise price in respect of those Options.

9. An Option holder may only participate in new issues of securities to holders of ordinary shares in the Company if the Option has been exercised and shares allotted in respect of the Option before the record date for determining entitlements to the issue. The Company must give prior notice to the Option holder of any new issue before the record date for determining entitlements to the issue in accordance with the ASX Listing Rules.

10. If there is a bonus issue to the holders of ordinary shares in the capital of the Company, the number of ordinary shares over which the Option is exercisable will be increased by the number of ordinary shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.

11. If the Company makes a rights issue (other than a bonus issue), the exercise price of Options on issue will be reduced according to the following formula:

$$A = O - \frac{E\,[P - (S + D)]}{(N + 1)}$$

Where:

A	=	the new exercise price of the Option;
O	=	the old exercise price of the Option;
E	=	the number of underlying ordinary shares into which one Option is exercisable;
P	=	the average closing sale price per ordinary share (weighted by reference to volume) recorded on the stock market of ASX during the five trading days immediately preceding the ex-rights date or ex entitlements date (excluding special crossings and overnight sales and exchange traded Option exercises);
S	=	the subscription price for a security under the pro rata issue;
D	=	the dividend due but not yet paid on existing underlying securities (except those to be issued under the pro rata issue); and
N	=	the number of securities with rights or entitlements that must be held to receive a right to one new security.

12. The Board may permit a cashless (net-settled) exercise under which, on exercise, the Company issues to the holder that number of Shares equal to N × (VWAP − EP) ÷ VWAP (rounded down to the nearest whole Share), where N is the number of Options exercised, VWAP is the 5-day volume-weighted average market price of Shares immediately prior to the exercise date, and EP is the Exercise Price; no cash is payable by the holder, any applicable taxes may be satisfied by reducing the Shares issued, and the resulting Shares rank pari passu with existing Shares.

13. If, during the currency of the Options the issued capital of the Company is reorganised, those Options will be reorganised to the extent necessary to comply with ASX Listing Rules.

14. The holder of the Option agrees to be bound by the terms of the Company's Employee Option Plan and the Constitution of Australian Rare Earths Limited as amended from time to time.

ANNEXURE E – TERMS AND CONDITIONS OF UNLISTED OPTIONS TO BE ISSUED TO MS CARR

1. Each Option entitles the holder to one ordinary share in the Company.

2. 1,500,000 Options each has an exercise price being 45% above the volume weighted average market price (as defined in the ASX Listing Rules) of the Company's shares over the last ten (10) days on which sales in the Company's shares were recorded prior to the Company's 2025 AGM (rounded up to the next whole cent).

4. Each Option is exercisable in whole or in part at any time during the period commencing on the date of issue and expiring on the third anniversary of the date of issue (**Exercise Period**). Options not exercised before the expiry of the Exercise Period will lapse.

5. Options are exercisable by notice in writing to the Board delivered to the registered office of the Company and payment of the exercise price per Option in cleared funds.

6. The Company will not apply to ASX for official quotation of the Options.

7. The Company will make application for official quotation on ASX of new shares allotted on exercise of the Options. Those shares will participate equally in all respects with existing issued ordinary shares, and in particular new shares allotted on exercise of the Options will qualify for dividends declared after the date of their allotment.

8. Options can only be transferred with Board approval, except that if at any time before expiry of the Exercise Period the Option holder dies, the legal personal representative of the deceased Option holder may:

   (i) elect to be registered as the new holder of the Options;

   (ii) whether or not he or she becomes so registered, exercise those Options in accordance with the terms and conditions on which they were granted; and

   (iii) if the deceased has already exercised Options, pay the exercise price in respect of those Options.

9. An Option holder may only participate in new issues of securities to holders of ordinary shares in the Company if the Option has been exercised and shares allotted in respect of the Option before the record date for determining entitlements to the issue. The Company must give prior notice to the Option holder of any new issue before the record date for determining entitlements to the issue in accordance with the ASX Listing Rules.

10. If there is a bonus issue to the holders of ordinary shares in the capital of the Company, the number of ordinary shares over which the Option is exercisable will be increased by the number of ordinary shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.

11. If the Company makes a rights issue (other than a bonus issue), the exercise price of Options on issue will be reduced according to the following formula:

$$A = O - \frac{E[P - (S + D)]}{(N + 1)}$$

Where:

A	=	the new exercise price of the Option;
O	=	the old exercise price of the Option;
E	=	the number of underlying ordinary shares into which one Option is exercisable;
P	=	the average closing sale price per ordinary share (weighted by reference to volume) recorded on the stock market of ASX during the five trading days immediately preceding the ex-rights date or ex entitlements date (excluding special crossings and overnight sales and exchange traded Option exercises);
S	=	the subscription price for a security under the pro rata issue;
D	=	the dividend due but not yet paid on existing underlying securities (except those to be issued under the pro rata issue); and
N	=	the number of securities with rights or entitlements that must be held to receive a right to one new security.

12. The Board may permit a cashless (net-settled) exercise under which, on exercise, the Company issues to the holder that number of Shares equal to N × (VWAP − EP) ÷ VWAP (rounded down to the nearest whole Share), where N is the number of Options exercised, VWAP is the 5-day volume-weighted average market price of Shares immediately prior to the exercise date, and EP is the Exercise Price; no cash is payable by the holder, any applicable taxes may be satisfied by reducing the Shares issued, and the resulting Shares rank pari passu with existing Shares.

13. If, during the currency of the Options the issued capital of the Company is reorganised, those Options will be reorganised to the extent necessary to comply with ASX Listing Rules.

14. The holder of the Option agrees to be bound by the terms of the Constitution of Australian Rare Earths Limited as amended from time to time.

Proxy Voting Form

If you are attending the Meeting in person, please bring this with you for Securityholder registration.

Australian Rare Earths Ltd | ABN 73 632 645 302

Your proxy voting instruction must be received by **2:00pm (ACDT) on Monday, 24 November 2025**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: **https://investor.automic.com.au/#/home** Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 - APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of Key Management Personnel.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.
Joint holding: Where the holding is in more than one name, all Shareholders should sign.
Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.
Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.
Email Address: Please provide your email address in the space provided.
By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at https://automicgroup.com.au.

Lodging your Proxy Voting Form:

Online
Use your computer or smartphone to appoint a proxy at
https://investor.automic.com.au/#/loginsah or scan the QR code below using your smartphone
Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.

BY MAIL:
Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:
Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:
meetings@automicgroup.com.au

BY FACSIMILE:
+61 2 8583 3040

All enquiries to Automic:
WEBSITE:
https://automicgroup.com.au

PHONE:
1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

STEP 1 - How to vote

APPOINT A PROXY:

I/We being a Shareholder entitled to attend and vote at the Annual General Meeting of Australian Rare Earths Ltd, to be held at **2:00pm (ACDT) on Wednesday, 26 November 2025 at Offices of Grant Thornton Australia Limited Level 3, 170 Frome Street Adelaide, South Australia** hereby:

Appoint the Chair of the Meeting (Chair) OR if you are not appointing the Chair of the Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.
Unless indicated otherwise by ticking the "for", "against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS
Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1, 3, 4, 5 and 6 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 3, 4, 5 and 6 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

AUTOMIC

STEP 2 - Your voting direction

Resolutions		For	Against	Abstain
1	REMUNERATION REPORT			
2	RE-ELECTION OF ANGUS BARKER AS A DIRECTOR			
3	APPROVAL TO ISSUE UNLISTED PERFORMANCE RIGHTS TO MANAGING DIRECTOR TRAVIS BEINKE			
4	APPROVAL TO ISSUE UNLISTED ZERO EXERCISE PRICE OPTIONS (ZEPOs) TO MANAGING DIRECTOR TRAVIS BEINKE			
5	APPROVAL TO ISSUE UNLISTED OPTIONS TO NON-EXECUTIVE DIRECTOR ANGUS BARKER			
6	APPROVAL TO ISSUE UNLISTED OPTIONS TO NON-EXECUTIVE DIRECTOR PAULINE CARR			
7	RENEWAL OF PROPORTIONAL TAKEOVER APPROVAL PROVISION			
8	APPROVAL OF 10% ADDITIONAL PLACEMENT CAPACITY			

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

AR3

STEP 3 – Signatures and contact details

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name:

Email Address:

Contact Daytime Telephone

Date (DD/MM/YY)

/ /

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible).