57-71 RE Rare Earths

15 P Phosphorus

RAREX Phosphate Enabled Rare Earths

ASX Release
16 January 2024

RareX receives $1.97M tax refund for R&D activities

Strengthens company balance to support next key phase of development at Cummins Range

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RareX Limited (ASX: REE – **RareX** or **the Company**) is pleased to advise that it has received a $1.97 million refundable tax offset for eligible research and development (**R&D**) activities conducted at the Company's flagship Cummins Range Rare Earths and Phosphate Project during the 2022-2023 financial year.

The R&D activities were primarily focused on continuing to test the hypothesis relating to the development of an innovative process and product delivery approach for the extraction of rare earth and phosphate elements from the unique and globally significant Cummins Range Rare Earths and Phosphate deposit.

The receipt of the funds puts the Company in a strong position moving into 2024, strengthening its balance sheet and providing it with the financial flexibility to progress the next key stages of its recently articulated staged development plan for the Cummins Range Project.

RareX CEO, James Durrant, said: *"We believe that, through this R&D work, we have identified a novel way to monetise both the valuable rare earths and phosphates contained within this unique deposit for the magnet metals and LFP battery supply chains respectively. This is a very exciting development for the Company, and we are now working through the off-take process to legitimise our development approach - which is a fundamentally low cost, low risk pathway to unlock the value of this long-life asset.*

"As we build stocks of product and derivative product samples, we continue to research further improvement in grade and recovery metrics and develop ever more refined understandings of the performance of our product in 3rd party processing facilities to derive the complete value-in-use. We look forward to updating the market in due course on off-take and strategic partnering discussions, development and infrastructure updates and other milestones towards our objective of bringing Cummins Range into production and cash-flow."

The Company would like to thank the team and the many experts who have contributed to our understanding of the Project and the product pathway.

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

For more information, please contact:

Investors: **James Durrant,** CEO — **P** +61 (0) 8 6383 6593
Media: **Nicholas Read,** Read Corporate — **P** +61 (0) 8 9388 1474
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About RareX Limited – ASX: REE

RareX Limited (ASX: REE), a Perth based project development and exploration Company, was founded on the fundamental belief of the electronics revolution and the electric vehicle mega-trend. Our focus is rare earths and associated battery and electronic metals.

Cummins Range, in the East Kimberley region of Western Australia, is our flagship project which aims to produce a sustainable, ethical, transparent and secure low carbon rare earth and phosphate supply chain solution for its products which satisfy the two global mega-trends of population growth and electrification.

RareX maintains exploration upside programs in the immediate vicinity of the Cummins Range Project and also more broadly to identify targets and progress projects complementary to the founding beliefs and expertise of the core team.

Rare earths and in particular, NdPr, are core enablers of decarbonisation and electrification of our society. NdPr supports high strength magnets which enables low carbon technologies, especially in the electric mobility sector, robotics solutions and renewable energy, particularly the wind energy sector.

Phosphate is the feedstock for the emerging dominant battery technology; lithium-ferro-phosphate (LFP). The global LFP battery market is projected to grow from $10 billion in 2021 to $50 billion by 2028 as more EVs adopt the safer and longer life technology and grid stabilization batteries expand to balance intermittent renewable generation.

RareX maintains material investments in Kincora Copper (ASX:KCC), Cosmos Exploration (ASX:C1X) and Canada Rare Earth Corporation (LL.V).

For further information on the Company and its projects visit www.rarex.com.au