

19 November 2024

AR3 expands Overland Uranium Project with strategic farm-in agreement

Highlights:

- **Farm-In Agreement (EL 6678):** AR3 obtains access to a further ~1,000km² of strategic ground prospective for uranium adjacent to its Overland Uranium Project. AR3 can earn 100% of sedimentary-hosted uranium rights in Sheer Gold's EL 6678 by investing \$200,000 in exploration on the tenement by September 2025.
- **Promising Uranium Potential:** Strong potential for In-Situ Recovery (ISR) amenable, sedimentary-hosted uranium deposits in this new area:
 - Airborne radiometrics (Uranium channel) illustrate the movement of uranium in modern drainage systems from the adjacent basement rocks into the basin setting through the EL 6678 area.
 - Historical drilling confirms appropriate sedimentary packages favorable for the development of ISR amenable uranium mineralisation occur within the EL6678 area.
- **Strategic Importance:** The agreement extends AR3's position to ~4,000km² in this new frontier uranium play.
- **Engage with this announcement at the AR3 [investor hub](#).**

AR3 Managing Director and Chief Executive Travis Beinke said:

"We are very pleased to announce an agreement with Sheer Gold to significantly expand our exploration footprint at the Overland Uranium Project. The expanded tenure strengthens our strategic position in one of South Australia's most prospective frontier uranium regions. With our first drilling program at Overland now underway and already delivering encouraging results at our first target in this greenfield exploration venture, we are eager to advance exploration on high-priority targets across the expanded project area."

Australian Rare Earths Limited (ASX: AR3) is pleased to announce it has entered into a Farm-In Agreement with private minerals explorer Sheer Gold Pty Ltd (**Sheer Gold**). Under the Farm-In Agreement, AR3, through its wholly owned subsidiary Valrico Resources Pty Ltd, can earn 100% interest in the sedimentary-hosted uranium rights within Sheer Gold's EL 6678 by spending \$200,000 before 23 September 2025.

This strategic transaction adds 990km² of EL 6678, immediately adjoining AR3's Overland Uranium Project. It expands AR3's total project area to approximately 3,970 km² (~4,000 km²) of land in a frontier uranium play in South Australia's Murray Basin (see figure 1).

The Overland Project is located approximately 220km southwest of Boss Energy's Honeymoon Mine. AR3 believes the Project area holds similar potential, targeting paleochannel sediments of the Renmark Group. These are geologically analogous to those in the Eyre Formation, which hosts Boss Energy's successful uranium operations.

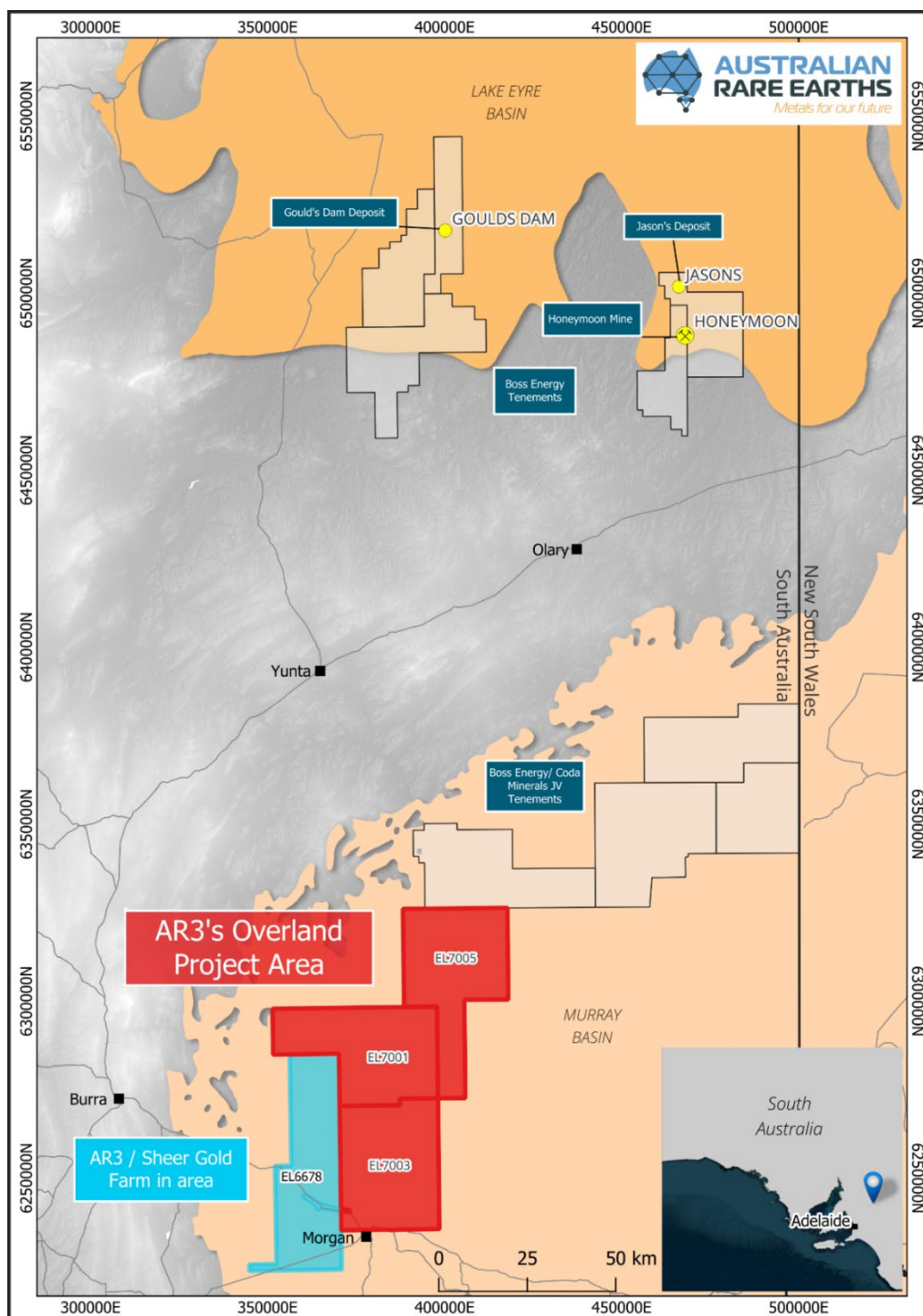


Figure 1: Overland Project area and Sheer Gold Farm-In area

EL 6678 Sedimentary Hosted Uranium Prospectivity

Multiple sources within the Adelaide Fold Belt exist to contribute uranium in solution into the Murray Basin sediments. In particular, Felsic intrusives of the same age of emplacement as the intrusive rocks contributing uranium to Beverley / 4 Mile occur within the basement terrane adjacent to the Murray Basin – see Figure 2.

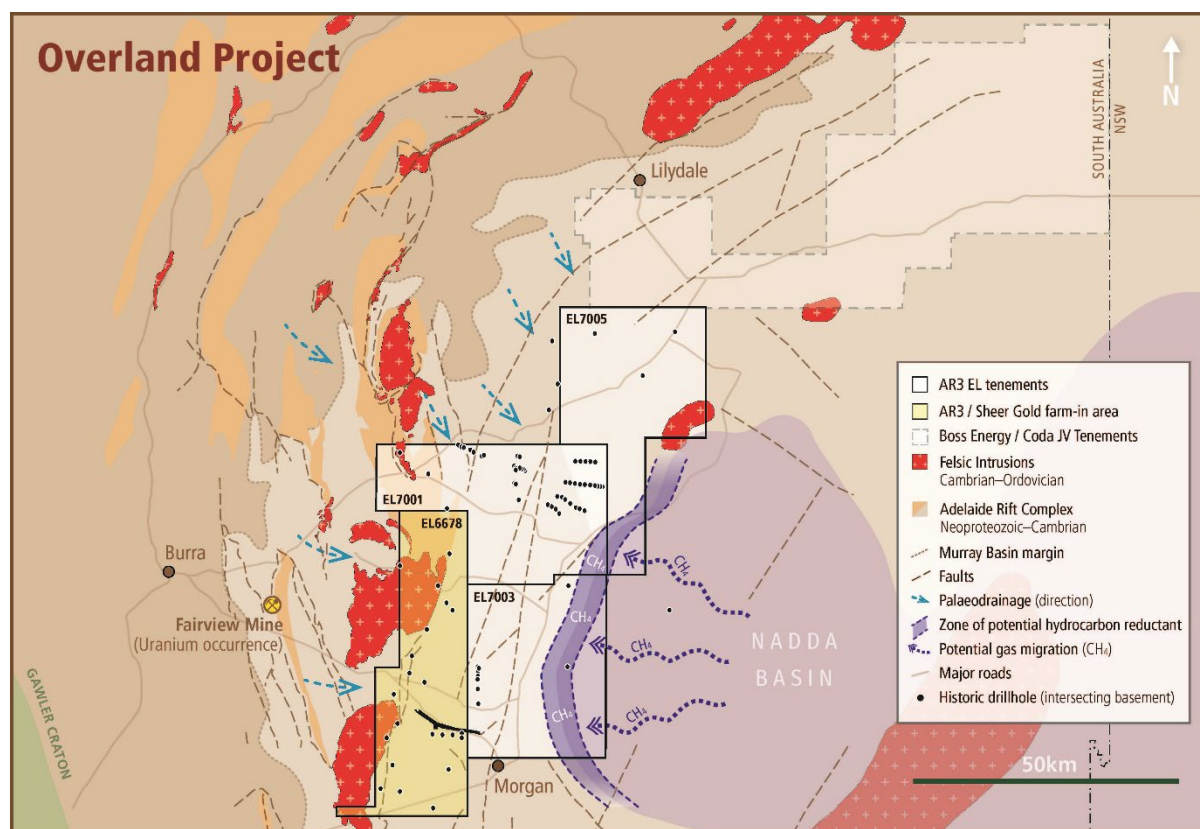


Figure 2: Overland Project area and Sheer Gold Farm-In area geology, structure (faulting) and historic drill holes intersecting basement with Nadda Basin margin

Airborne radiometrics (Uranium channel) illustrate the movement of uranium in modern drainage systems from the adjacent basement rocks into the basin setting – see Figure 3.

Evidence of the movement of uranium in solution accumulating against a trap mechanism (in this case, a phosphate) is shown in the nearby Fairview uranium occurrence, with material sampled there grading 2,500ppm U – see Figure 3.

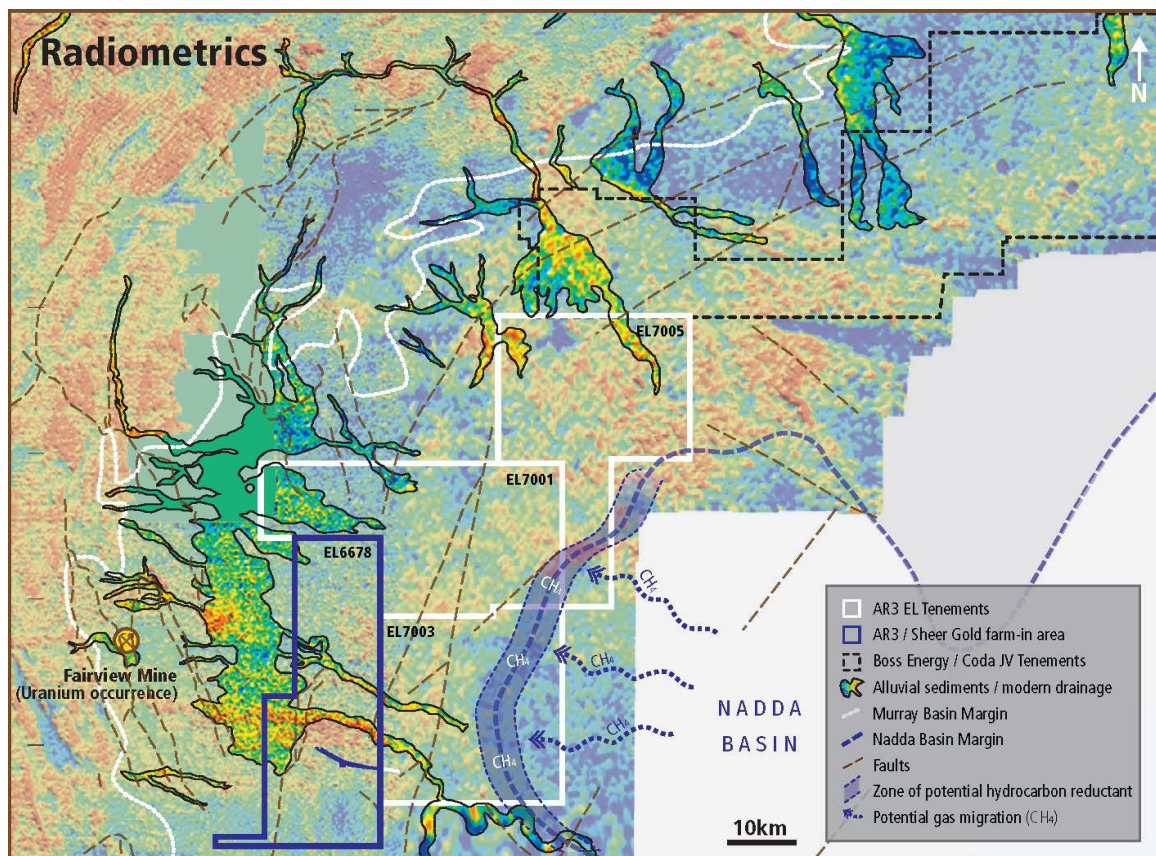


Figure 3: Overland Project area and Sheer Gold Farm-In area showing; Tenement Outlines with airborne radiometrics survey (Uranium Channel), modern drainage lines bringing uranium into the basin setting and the Nadda Basin margin

Sediments of the Renmark Group within the Murray Basin provide the permeable pathways and organic reductants to establish sedimentary hosted uranium deposits.

The North-western Murray Basin within South Australia has previously been noted as prospective for palaeochannel hosted roll front deposits within fluvial channel sands of the Renmark beds for the following reasons¹;

- Drainage into the northern Murray Basin sources granites and meta sediments anomalous in uranium; and
- Basal Tertiary sediments of the Murray Basin include the Onley formation and channel fill Warina Sand. The Warina Sand is an ideal host for uranium mineralisation as it is:
 - Deposited in a fluvial environment
 - Medium to coarse grained quartz sands
 - Interbedded clays and carbonaceous material (variably pyritised).

Existing (historic) drilling within the Overland Project area has already provided target locations for follow-up, with anomalous gamma responses within the Renmark Group sediments providing pointers to uranium being captured from solution at those locations.

¹ Fabris, A.J. North-Western Murray Basin geological synthesis. *South Australia. Department of Primary Industries and Resources*. Report Book 2003/13 page 43.

Key Terms

AR3 Farm-In Agreement to Sheer Gold's EL 6678 for sedimentary-hosted uranium rights

- The agreement is conditional upon Ministerial consent pursuant to section 15AB of the Mining Act to the grant of the right to acquire a 100% interest in the sedimentary-hosted uranium rights, the transfer of the EL, and the granting of various other rights to each other upon certain criteria being met
- Subject to Ministerial consent being received, AR3 will carry out exploration activities by spending \$200,000 by 23 September 2025
- Upon spending \$200,000, AR3 will earn a 100% interest in the sedimentary-hosted rights of EL 6678 and EL 6678 will then be transferred from Sheer Gold to AR3; with Sheer Gold retaining exclusive rights to 100% of the basement minerals rights of EL 6678 below the sedimentary-hosted minerals strata of interest to AR3
- The parties will co-operate on exploration and development activities

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

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Engage and Contribute at the AR3 investor hub: <https://investorhub.ar3.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.

About Australian Rare Earths Limited

Australian Rare Earths is committed to the timely exploration and development of its 100% owned, flagship Koppamurra Project, located in the new Koppamurra rare earths Province in southeastern South Australia and western Victoria. Koppamurra is a prospective ionic clay hosted rare earth deposit, rich in all the elements required in the manufacture of rare earth permanent magnets which are essential components in electric vehicles, wind turbines and domestic appliances. In addition, AR3 is actively reviewing other potential prospective areas which may also host uranium and ionic clay hosted rare earth deposits throughout Australia.

The Company is focused on executing a growth strategy that aims to position AR3 as an independent and sustainable source of energy transition metals, playing a pivotal role in the global transition to a green economy.