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5 February 2025

AR3 receives regulatory approval to expand Overland Uranium Project area

Highlights:

- **Ministerial Consent for Farm-In Agreement (EL6678):**
  - AR3 has received Ministerial consent from the South Australian Government for the right to acquire a 100% interest in the sedimentary-hosted uranium rights of EL6678.
  - Provides AR3 with an additional ~1,000km^2 of strategic ground adjacent to the Company's Overland Uranium Project.
  - AR3 can earn 100% of sedimentary-hosted uranium rights in Sheer Gold's EL6678 by investing $200,000 in exploration on the tenement by September 2025[1].

- **EPEPR Approved:** AR3 has received SA Government Department approval for an Exploration Program for Environment Protection and Rehabilitation (EPEPR) plan for EL6678.

- **Target Zones identified:**
  - Southern extension of a recently defined palaeovalley at Overland on EL7001, and its western margin[2].
  - Airborne radiometrics (Uranium channel) which illustrate the movement of uranium in modern drainage systems from the adjacent basement rocks into the basin setting.

- **Next steps:** Drilling to commence in February 2025 at these prospective targets within EL6678.

- Engage with this announcement at the AR3 ***investor hub.***

AR3 Managing Director and CEO, Travis Beinke, said:

"We are pleased to report we've now obtained all the regulatory approvals required to commence drilling immediately within the expanded tenure at our Overland Uranium Project, a new frontier

[1] ASX Release 19 November 2024
[2] ASX Release 21 January 2025

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uranium region in South Australia. Having immediate land access to frontier exploration tenure is a strategic advantage of the ground secured by AR3.

Drilling is underway, initially mapping out the newly defined palaeovalley further to the south within EL7001. This will be followed immediately with drilling the high-priority target area along the western margin, where an abundance of lignite horizons with associated anomalous downhole natural gamma readings has been mapped.

Upon completion of drilling these targets on EL7001, the drill rig will move to EL6678 to test additional high-priority targets. The estimated investment in drilling is expected to satisfy the requirements under the Farm-In Agreement with Sheer Gold.

With such a large, under-explored project area, the next phase of drilling will allow us to expand our understanding of the regional setting while also providing flexibility to following up high-priority targets."

Australian Rare Earths Limited (ASX: AR3) is pleased to provide an update regarding regulatory approvals for the recent Farm-In Agreement with private minerals explorer Sheer Gold Pty Ltd **(Sheer Gold)**. AR3 has received Ministerial consent, pursuant to section 15AB of the Mining Act, to grant the right to acquire a 100% interest in the sedimentary-hosted uranium rights, the transfer of the exploration licence (EL), and the granting of various other rights to each other upon certain criteria being met.

AR3 has also received approval for its Exploration Program for Environment Protection and Rehabilitation (EPEPR) application for EL6678. With this approval, AR3 now has three EPEPR's, covering a combined area of approximately 1,388km^2 (see Figure 1).

The timely grant of this EPEPR enables AR3 to include additional high-priority targets in the next drill campaign plans. Drilling at the Overland Uranium Project resumed in late January 2025, initially at EL7001 with drilling to start on EL6678 shortly thereafter. This next phase of drilling is scheduled to run from late January through to March 2025 and will consist of approximately 5,000 meters of Air core drilling of high-priority targets within the EL7001 and EL6678.

To expedite exploration efforts, AR3 has prioritised areas that are readily accessible to build the understanding of the geological controls over the tenement package and offer the quickest potential for results for this next phase of exploration.

EL6678 Sedimentary Hosted Uranium Prospectivity

This region demonstrates strong potential for In-Situ Recovery (ISR) amenable, sedimentary-hosted uranium deposits. AR3 believes the paleochannel sediments of the Renmark Group and Murray Group sediments (Eyre and Namba equivalents) offer significant potential for uranium discovery.

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 and 4 Mile, occur within the basement terrane adjacent to the Murray Basin (see Figure 1).

Airborne radiometrics (Uranium channel) illustrate the movement of uranium in modern drainage systems from the adjacent basement rocks into the basin setting (see Figure 2). Evidence of the movement of uranium in solution accumulating against a trap mechanism (in this case, a

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phosphate) is shown in the nearby Fairview uranium occurrence, with material sampled there grading 2,500ppm U (see Figure 1).

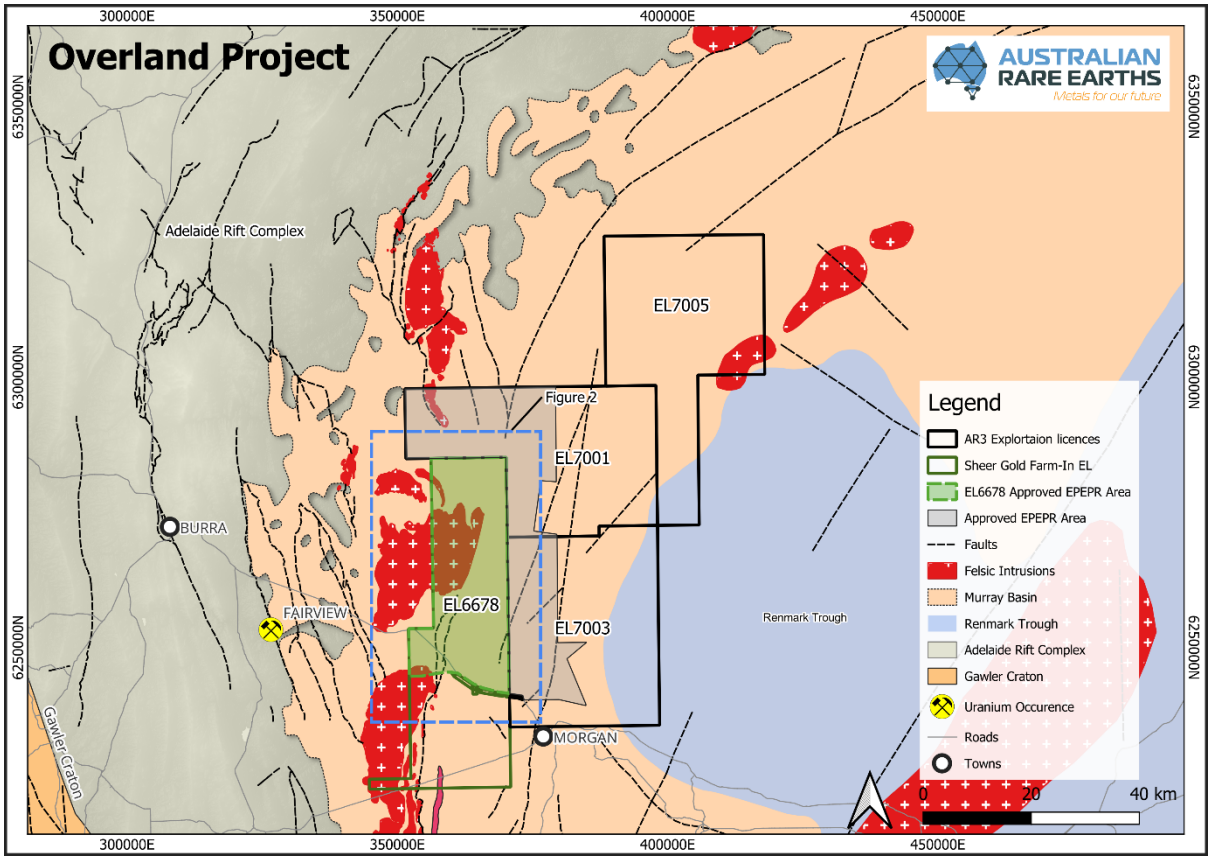

Figure 1: *Overland project with approved work areas, regional geology.*

Next steps

AR3 is pursuing highly prospective drill targets along the western margin of a palaeovalley setting extending south from EL7001, as defined by drilling completed in 2024 *(ASX Release 21 January 2025*). Additionally, drilling will target testing of sediments that potentially contain uranium precipitated from solution, as indicated in the Airborne radiometrics (Uranium channel). These Airborne radiometric images illustrate the movement of uranium in modern drainage systems from the adjacent basement rocks into the basin setting (Figure 2).

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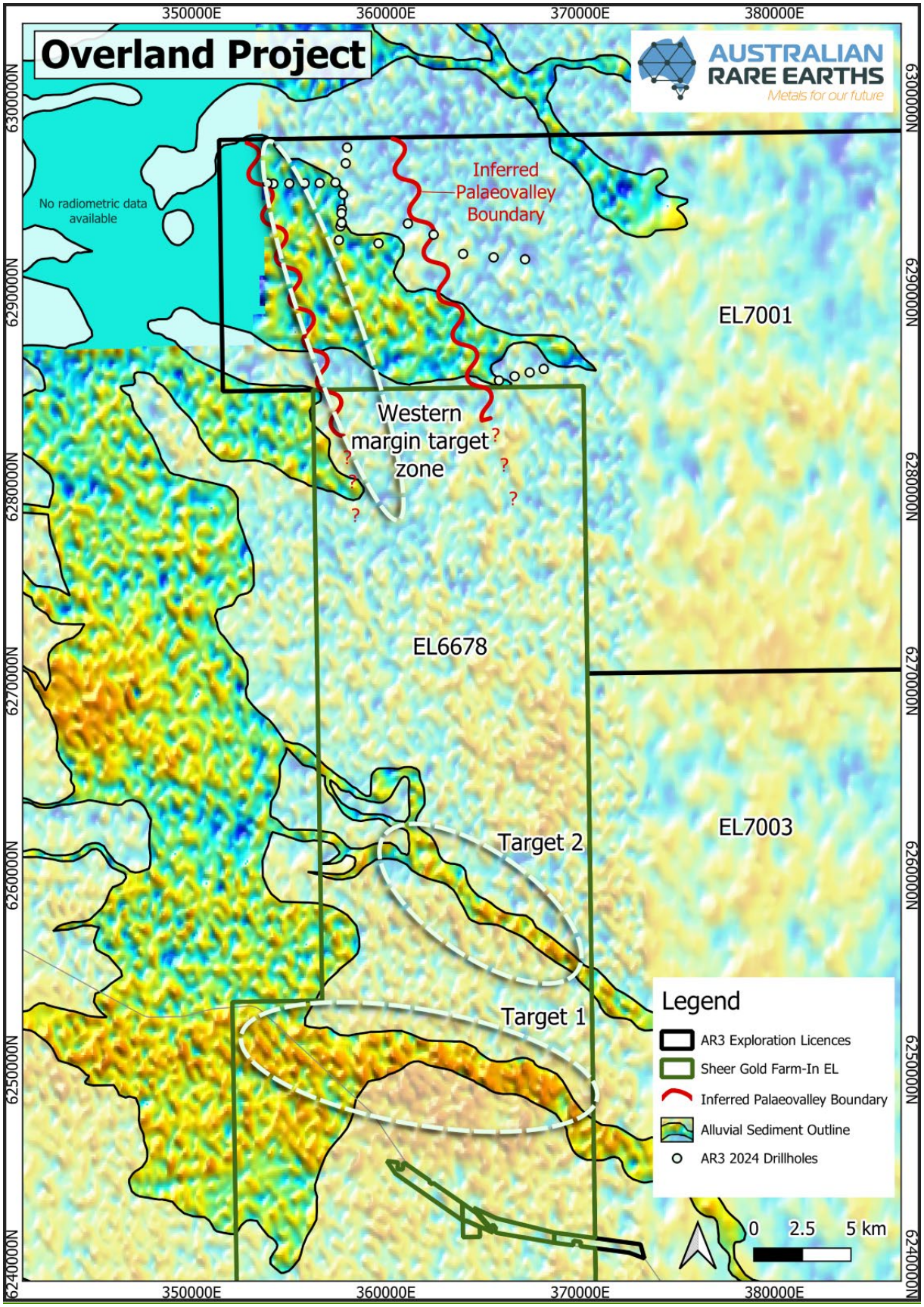

Figure 2: *-2024 Overland drilling relative to airborne radiometrics (Uranium channel) and alluvial sediment entering the basin. Recent drilling within EL7001 has defined a highly prospective palaeovalley with the southern extension and western margin targeted for follow up drilling within EL6678.*

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

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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.

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