ionic
rare earths

ASX: IXR

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ASX Announcement

29 January 2026

Quarterly Activities Report

For the period ended 31 December 2025

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HIGHLIGHTS

CORPORATE

- IonicRE signs Memorandum of Understanding with Missouri-based US Strategic Metals (USSM), over development of vertically integrated, multi-metallic rare earths production from recycling at USSM's fully permitted site;
- US strategic investment enhances successful renounceable rights issue and placement;
- Annual General Meeting (AGM) held on 28 November 2025, with all resolutions approved by shareholders;
- Capital consolidation on a 1 for 30 basis completed as approved at AGM;
- Facility established for sale of unmarketable parcels of shares, with acceptances closing **5pm AEDT on 30 January 2026**; and
- Post-quarter: OTCQB application lodged and approved in January 2026, with IXR listed under the ticker OTC:IXRRF.

IONIC TECHNOLOGIES, BELFAST (100% IONICRE)

- Updated UK Critical Minerals Strategy launched, with Belfast's role highlighted as a key critical minerals cluster;
- IonicRE continuing financing discussions with UK authorities regarding potential capital grant funding to cornerstone development of Belfast commercial plant, with advice received post-quarter for an Offer in Principle grant award of £12 million;
- Discussions continuing with UK's National Wealth Fund (NWF) and strategic investors for remainder of commercial plant funding; and
- Bridging Study initiated for modular magnet recycling plant ahead of FEED, expected to begin in Q1 2026.

MAKUUTU HEAVY RARE EARTHS PROJECT, UGANDA (60% IONICRE)

- Discussions continuing with members of Mineral Security Partnership and offtakers on speeding development of shovel-ready project, amid increased focus on securing ex-China heavy rare earths supply.

VIRIDION - BRAZILIAN REFINING AND RECYCLING JOINT VENTURE (50% IONICRE)

- Viridion continuing talks with Brazil stakeholders on advancing CRITR and securing potential federal funding; and
- JV partner Viridis Mining and Minerals (ASX:VMM) receives environmental approval for flagship Colossus rare earth project.

Ionic Rare Earths Limited ("IonicRE" or "the Company") (ASX: IXR) continues to advance its global rare earth expansion strategy across the United Kingdom/Europe, North and South America and Asia, as highlighted by the Company's Quarterly Activities Report for the period ending 31 December 2025.

This report includes development activities at the Company's 100% owned magnet recycling subsidiary in the UK, Ionic Technologies International Limited ("Ionic Technologies"), together with its Viridion Joint Venture in

Brazil (50% interest) with Viridis Mining and Minerals Ltd (ASX:VMM), and at the 60% owned Makuutu Heavy Rare Earths Project ("Makuutu" or "the Project") in Uganda.

The Company's latest progress follows a continuing global focus on securing rare earth supplies, with Ionic Technologies offering a fast-track, low capex and low emissions near-term solution for the development of ex-China rare earth supply chains.

MOU signed with US Strategic Metals for Missouri magnet recycling

IonicRE announced on 10 November 2025 the signing of a non-binding Memorandum of Understanding (MOU) with Missouri-based US Strategic Metals (USSM), a vertically integrated, multi-metallic critical minerals platform, at an official ceremony held at the Australian Embassy in Washington, D.C., highlighting the strong corporate commitment to supporting the U.S.-Australia critical minerals partnership.

Under the MOU, IonicRE and USSM will pursue opportunities to align rare earth and critical mineral production with multi-metallic downstream processing and supply chain development at USSM's 1,800 acre (728.4 hectare) fully permitted site in Missouri, USA, starting with the deployment of wholly owned subsidiary, Ionic Technologies' patented rare earth permanent magnet recycling technology, developing both commercial Neodymium-Iron-Boron (NdFeB) and Samarium-Cobalt (SmCo) recycling capacity.

The Missouri recycling facility is expected to produce significant quantities of NdPr (neodymium and praseodymium), and importantly a range of strategic heavy rare earths, presently included within the list of Chinese restricted rare earth elements, including dysprosium (Dy), terbium (Tb), samarium (Sm), gadolinium (Gd) and holmium (Ho). In addition, the parties will evaluate other heavy rare earth recycling opportunities within the USA to be located at the USSM site in Missouri.

The MOU focuses on producing high purity, separated magnet rare earth oxides (REOs) rapidly in the United States, with future potential expansion to include a wide range of magnet and heavy rare earths from a range of strategically sourced mixed rare earth carbonate (MREC) from target project feeds.

The partnership supports the historic critical minerals framework signed on 21 October 2025 by US President Donald J. Trump and Australian Prime Minister Anthony Albanese ("The United States–Australia Framework for Securing of Supply in the Mining and Processing of Critical Minerals and Rare Earths"), aimed at delivering a U.S.-Australia secured supply chain for critical minerals and rare earths, required for defence, advanced manufacturing and renewables.

The MOU also supports the Trump Administration's efforts to secure U.S. leadership in critical minerals and energy by expanding domestic critical mineral production. Consistent with Executive Order 14241, "Immediate Measures to Increase American Mineral Production," the MOU fosters collaboration through the Quadrilateral Security Dialogue, a partnership among the United States, Australia, Japan, and India focused on promoting regional stability and economic security.

Together, the capabilities of USSM and IonicRE aim to reduce dependence on foreign mineral imports, improve national security, and ensure supply chain resilience for industries vital to the U.S. defence and technology sectors.

The United States currently sources 70% of its rare earth imports from China, with the Trump administration ramping up efforts to expand U.S. domestic production of rare earths and other critical minerals to reduce its import dependence. By 2027, Chinese rare earth content must be completely removed from U.S. weapons systems under existing regulations.

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Figure 1: IonicRE and USSM signing ceremony at the Australian Embassy in Washington, D.C. Back left to right, Mr Jason Robertson (Deputy Head of Mission and Ambassador to the Organization of American States, Australian Government), and Mr Seth Bailey (Deputy Assistant Secretary Bureau of East Asian and Pacific Affairs, US Government). Front left to right, Mr Michael Holloman (USSM Chief Commercial Officer), Mr Brett Lynch (IonicRE Executive Chairman), Mr Stacy W. Hastie (USSM Founder & CEO) and Mr James Durrant (RareX Limited Managing Director).

Under the US-Australia framework agreement, both nations have agreed to provide at least US$1 billion in investments towards an US$8.5 billion pipeline of critical minerals projects in Australia and the United States over a six-month period. The agreement aims to assist both countries in "achieving resilience and security of critical minerals and rare earths supply chains, including mining, separation, and processing, through use of economic policy tools and coordinated investment" (refer https://www.pm.gov.au/media/historic-critical-minerals-framework-signed-president-trump-and-prime-minister-albanese).

IONIC TECHNOLOGIES (100% IONICRE)

IonicRE welcomes launch of updated UK Critical Minerals Strategy

IonicRE has welcomed the launch of an updated UK Critical Minerals Strategy, highlighting the importance of critical minerals to the UK's economic growth and security. Officially announced by British Prime Minister Sir Kier Starmer on 22 November 2025, the Strategy targets producing 10% of the UK's mineral needs

domestically and 20% through recycling by 2035. This compares to current domestic production which accounts for 6% of its critical minerals needs.

Backed by up to £50 million (A$101 million) in new funding, as well as public finance through the National Wealth Fund and UK Export Finance, the Strategy aims to reduce the UK's overreliance on foreign imports of critical minerals, protecting the UK from shortages in global shocks and shoring up supply chains.

Notably, the Strategy recognises the important role played by Belfast as a critical minerals cluster. Northern Ireland currently hosts several strategic industries for the UK including Ionic Technologies' Belfast Demonstration Plant for rare earth permanent magnet recycling.

Utilising made-in-Belfast technology, Ionic Technologies' Belfast plant was the first producer of recycled, individually separated magnet REOs in the Western world. The Company is currently advancing the development of a commercial plant in Belfast Harbour, which would provide the UK with sovereign magnet REO capability for the first time.

The UK Government has already backed critical minerals businesses across the UK including Ionic Technologies with over £165 million in funding, and together with support from the National Wealth Fund, UK Export Finance and other public finance streams aims to further drive the UK ahead in the global race to secure supplies of these key minerals.

The Strategy also includes potential stockpiling, including through defence procurement, to shore up the UK's critical minerals supplies for UK defence, in line with their widespread uses in advanced military hardware.

The Strategy aims to ensure that no more than 60% of the UK's supply of any one critical mineral is imported from any one country by 2035.

The critical minerals sector contributes £1.79 billion to the UK economy and directly supports over 50,000 jobs, highlighting its importance as an emerging growth sector.

In July 2025, a consortium led by Ionic Technologies was awarded £11 million in funding under the "CirculaREEconomy" project via the Advanced Propulsion Centre (APC), targeting the development of a UK-based rare earth permanent magnet supply chain (refer ASX announcement 14 July 2025).

This added to other previous financial support provided by the UK Government to Ionic Technologies, highlighting the Government's strong support for the Belfast operation.

IonicRE continues to engage with the APC concerning capital grant funding, which would have the potential to cornerstone the development of the Company's planned commercial plant. Post-quarter, the Company received positive advice on the provision of an Offer in Principle to grant Ionic Technologies £12 million to cornerstone the commercial magnet recycling facility in Belfast.

IonicRE has also initiated a bridging study with its preferred Engineering, Procurement and Construction Management (EPCM) partner as an interim step prior to commencement of Front End Engineering Design (FEED) work, which is expected to commence in Q1 2026. The Company continues to engage with local stakeholders to expedite delivery of its landmark Belfast facility.

The Company is progressing approvals for the commercial site located on Queens Island in Belfast Harbour and is in discussions with both strategic investors and debt financiers to secure the total investment required to progress towards a Final Investment Decision (FID).

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Ionic Technologies recently increased production of high-purity oxides of dysprosium (Dy2O3) and terbium (Tb_4O_7) at its Belfast plant, responding to the critical need for these heavy rare earths used in the manufacture of high-performance sintered neodymium-iron-boron (NdFeB) permanent magnets for the defence, advanced manufacturing and renewables sectors for Western customers.

Stakeholder engagement

Ionic Technologies continued its engagement with key stakeholders during the December quarter, including attending various industry events and hosting visits to the Belfast Demonstration Plant by government officials and industry partners.

In October 2025, IonicRE Managing Director, Tim Harrison and Ionic Technologies' Director of Operations, Thomas Kelly, met with Japanese industry counterparts as part of an official UK Trade Mission to Tokyo (27-30 October) led by the UK's Department for Business and Trade and the Advanced Propulsion Centre, UK. IonicRE was one of five companies selected for the trade mission, described by the British Embassy Tokyo as "world leaders in recycling, refining and sustainable processing technologies." Ionic met with key Japanese stakeholders, including magnet supply chain businesses.

Figure 2: IonicRE Managing Director, Tim Harrison (second from right) and Ionic Technologies' Director of Operations, Thomas Kelly (fourth from right) with the UK trade delegation at the British Embassy Tokyo, Japan.

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On 29 October 2025, Ionic Technologies' Head of Technology, Dr Fergal Coleman participated in the All Party Parliamentary Group at the Houses of Parliament, hosted by Noah Law, Perran Moon MP and Baroness Lindsay Northover, and co-ordinated with the Critical Minerals Association (UK). The session, entitled "Making Critical Minerals Work for the UK," featured a variety of stakeholders across critical minerals and Dr Coleman offered insights into what a UK-based business needs to provide secure growth, in the context of the UK's global supply chain risks and economic vulnerability to supply chain shortfalls.

Ionic Technologies also welcomed a delegation from Brazilian joint venture partner Viridis Mining & Minerals (ASX:VMM), led by Viridis Country Manager, Klaus Petersen. The visit discussed the Viridion joint venture and IonicRE's support for the development of a sustainable and secure rare earth supply chain in Brazil.

Also in October, Ionic Technologies was honoured to be nominated as a finalist for the Belfast Chamber Business Innovation Award, spotlighting the city's leading businesses.

On 27 November, Ionic Technologies hosted a visit to the Demonstration Plant by Matthew Patrick MP, Parliamentary Under-Secretary of State in the Northern Ireland Office. The Minister was in Belfast to discuss key budget measures relating to Northern Ireland and learn how Ionic Technologies is seeking to benefit from the trading opportunities presented in relation to the Windsor Framework, positioning Northern Ireland uniquely to serve both the UK and EU markets.

The Minister learned of IonicRE's commercialisation plans and work with the Department for Business and Trade relating to the UK's Critical Minerals Strategy, and how the Department, the Advanced Propulsion Centre UK and Innovate UK have influenced the business as it advances into commercial production.

Figure 3: Matthew Patrick MP, Parliamentary Under-Secretary of State in the Northern Ireland Office (right) with Ionic Technologies' Director of Operations, Thomas Kelly at the Belfast Demonstration Plant.

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In December, Ionic Technologies' Director of Operations, Thomas Kelly, represented the Company at the fifth annual Critical Minerals Association (UK) conference in London, UK. Mr Kelly chaired the "Circular Economy Powerhouse" panel, featuring a distinguished group of UK circular economy businesses, with the UK's 20% recycling ambition forming a hot topic for discussion.

The event closely followed the Department for Business and Trade's Critical Minerals Strategy launch and this dominated discussion, including a keynote speech by UK Minister for Industry, Mr Chris McDonald MP. IonicRE welcomes the new Strategy and looks forward to working closely with UK stakeholders to help deliver it.

Figure 4: Ionic Technologies' Director of Operations, Thomas Kelly (far right) at the Critical Minerals Association's 5th Annual Conference on 1 December 2025 in London, UK.

Post-quarter, on 12 January 2025, Ionic Technologies welcomed a visit to the Belfast Demonstration Plant by the Acting High Commissioner to the UK of the High Commission of Australia, London, Her Excellency the Honourable Elisabeth Bowes. Ionic's technology and company background was of particular interest to Acting High Commissioner Bowes due in part to her prominent roles in Australia-UK trade, including acting as chief negotiator on the Australia-UK Free Trade Agreement.

The Acting High Commissioner was provided with an overview of IonicRE's commercialisation plans, the criticality of rare earth mid-stream technology to global supply chains and the importance of collaboration between the UK and Australia over critical minerals.

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Figure 5: Acting High Commissioner to the UK of the High Commission of Australia, London, Her Excellency the Honourable Elisabeth Bowes (second left) inspects the Belfast Demonstration Plant.

BRAZILIAN REFINING AND RECYCLING JOINT VENTURE (VIRIDION)

The Viridion Joint Venture (50:50) between IonicRE and Viridis Mining and Minerals Limited (ASX: VMM) is an outstanding opportunity for IonicRE to advance the Company's strategy to become a leading supplier to the Western world of high quality, secure and dependable magnet and heavy rare earths, critical to the multitude of dependent industries and energy transition affecting billions of people around the globe.

In July 2025, IonicRE announced Viridion had been granted 2,071 square metres of land by the Municipality of Poços de Caldas, Minas Gerais, within an Industrial Zone for the construction of a Centre for Rare Earths Innovation, Technology and Recycling (CRITR). This is an important step in developing South America's first rare earth refining and recycling hub, aligning with Brazilian national industrial policy, with the CRITR expected to commence operations in the second half of 2026, subject to financing and regulatory approvals.

On 12 September 2025, a groundbreaking ceremony was held for the CRITR on-site, including IonicRE Managing Director, Tim Harrison and representatives of Viridis Mining and Minerals and government representatives. IonicRE welcomes the joint venture's efforts and the support from the authorities of Minas Gerais and the Brazilian federal government for this important initiative in establishing sovereign rare earths capability in Brazil.

During the December quarter, Viridion continued negotiations to finalise a tailored funding package, expected to include a combination of non-dilutive grants, debt financing, and potential equity participation, to accelerate the development of downstream rare earth refining and magnet recycling facilities in Brazil.

Viridis Mining and Minerals has also advanced its flagship Colossus Rare Earth Project in Brazil, announcing on 22 December 2025 it had received approval of its Environmental Impact Assessment (EIA) and Environmental Impact Report (RIMA) and had been granted a Preliminary Licence by the State of Minas Gerais.

MAKUUTU HEAVY RARE EARTHS PROJECT (60% IONICRE)

During the December quarter 2025, IonicRE continued discussions with members of the Mineral Security Partnership together with potential offtakers on speeding development of its Makuutu Heavy Rare Earths Project, as China's tightening rare earth export controls disrupt global industry.

Makuutu currently ranks amongst the world's largest and most advanced ionic adsorption clay (IAC) deposits, and as such, is a globally strategic resource for near term, low capital development, facilitating long-term security of magnet and heavy REO supply. The project's strategic nature in the development of an ex-China rare earths supply chain has come into added focus following Beijing's imposition of rare earth export controls and resulting supply shortages particularly of heavy rare earths.

Importantly, the Makuutu MREC product basket announced in IonicRE's Definitive Feasibility Study released in March 2023 (refer Figure 6 below) demonstrated a basket rich in medium and heavy REOs, notably able to help offset the elements targeted in the control ban.

The opportunity for Makuutu is shown by the fact that more than 95% of the world's supply of heavy REOs is from declining reserves of IACs in southern China and Myanmar. The clays of Makuutu present a low capital mining, extraction and processing opportunity and are the most readily available global sources of heavy REOs, with the project having the added benefit of being fully permitted, 'shovel-ready' for production.

The Makuutu deposit comprises nine licences covering around 300 square kilometres, located 120 km east of Kampala, Uganda. The defined mineralisation stretches 37 km long and is situated near high-quality infrastructure. It contains a high proportion of magnet and heavy rare earths, including a near-perfect split of magnet rare earths Nd, Pr, Dy and Tb, required for developing the high intensity permanent magnets required for EVs and offshore wind turbines.

A mining licence was awarded in January 2024 for the central Makuutu tenement, representing the first large-scale mining licence issued in Uganda under the 2022 Mining Act. First production of Mixed Rare Earth Carbonate (MREC) was achieved during the March quarter 2024 at the Makuutu Demonstration Plant, fostering engagement with potential offtakers and strategic partners.

Makuutu is being developed by Rwenzori Rare Metals Limited ("RRM"), a Ugandan private company which owns 100% of the Makuutu Project. IonicRE is a 60% owner of RRM.

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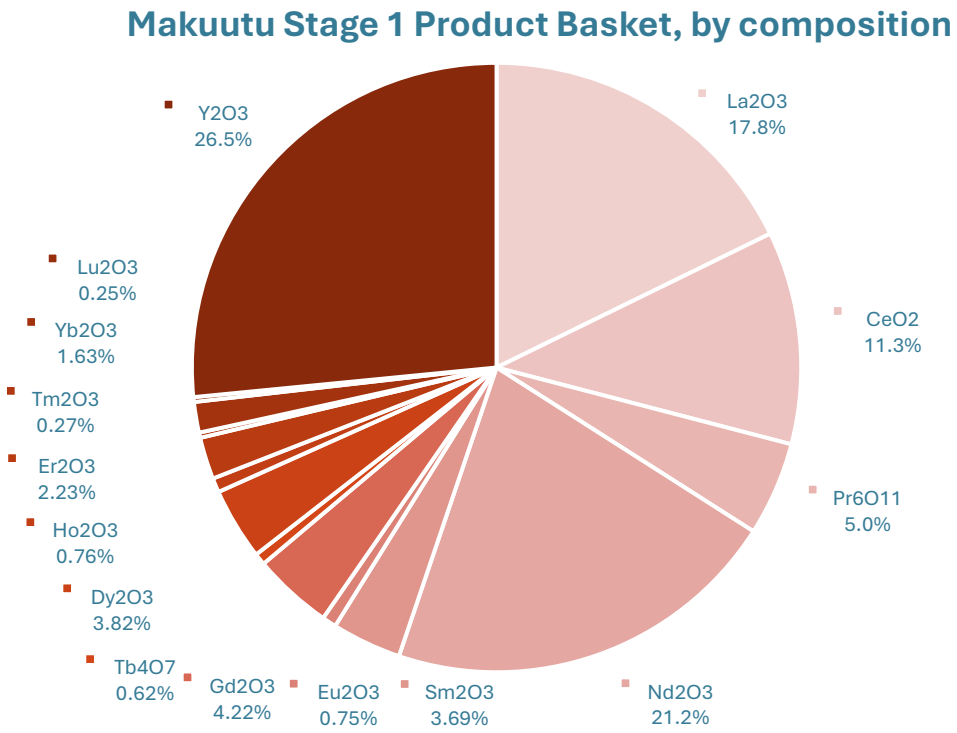

Figure 6: Makuutu Stage 1 REO product basket, excluding Sc2O3 (note rounding applied).

Makuutu Tenement Update

During the December quarter, the RRM team progressed with the submission on the next Mining Licence Application, TN04741 over the mineralised selection of Retention Licence (RL) 00007 (see ERROR! REFERENCE SOURCE NOT FOUND.7).

Additionally, RRM progressed renewal applications over additional tenements RL00234 and EL00257. Full details are also provided in Table 1.

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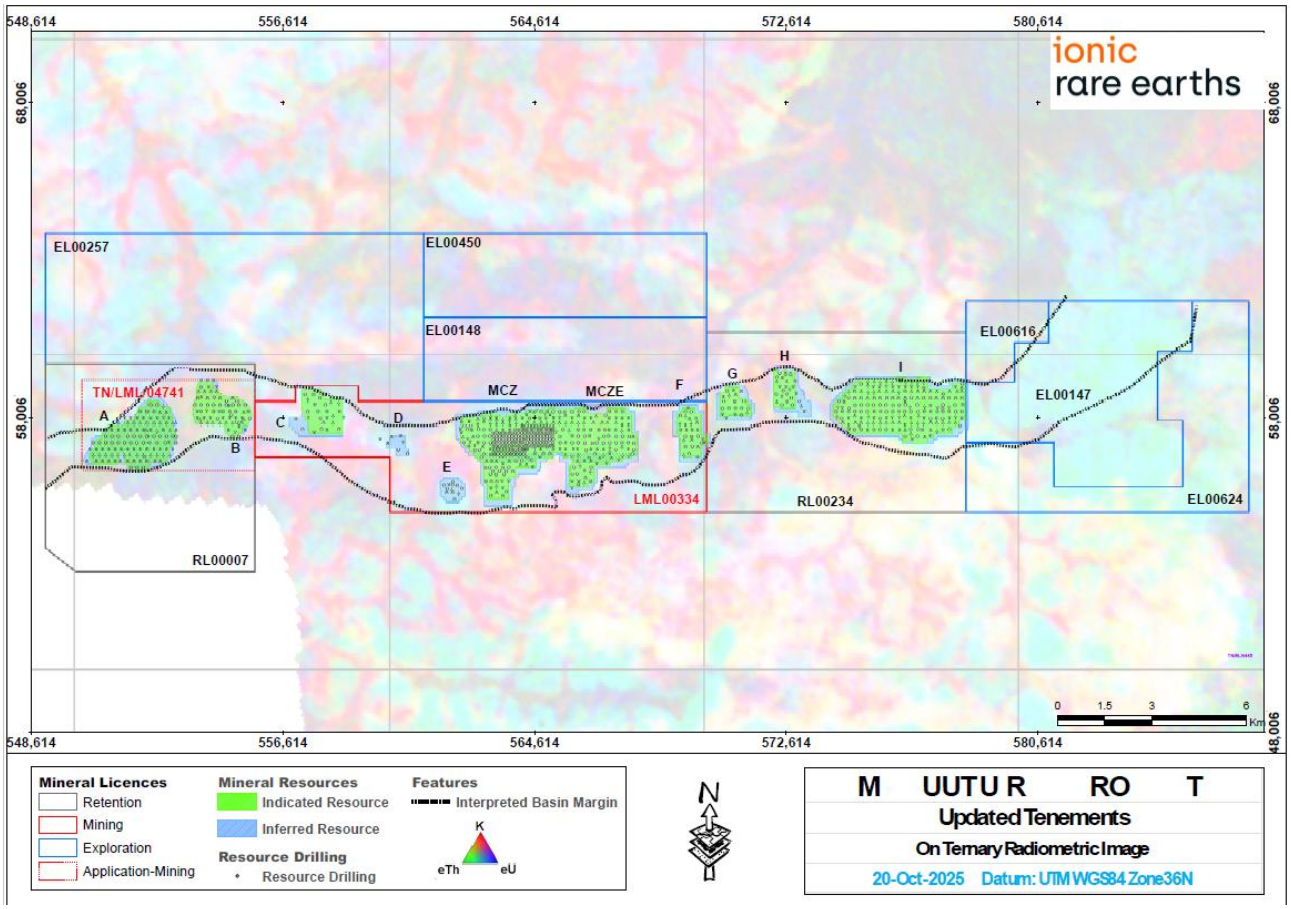

Figure 7: Makuutu Heavy Rare Earths Project mineral tenements including new MLA over a selection of RL00007, TN04741 (red dashed border).

Mineral Concessions Held

IonicRE advises the following information, pursuant to ASX Listing Rule 5.3.3, for the quarter ended 31 December 2025, and to the date of this announcement.

1. No mineral exploration tenements were acquired or disposed of during the period; it being noted that a smaller large-scale mining licence area was applied for over IonicRE's current licence RL00007.
2. Mineral exploration tenements held are set out below in Table 1; and
3. No farm-in or farm-out agreements were entered into during the period.

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Table 1: Makutu Heavy Rare Earths Project Tenement Details.

Licence ID	Licence Type	Application Date	Granted Date	Expiry / Renewal Date	Area (km^2)
LML00334	Mining	01/09/2022	28/12/2023	27/12/2044	43.78
TN/LML/04741	Mining	23/09/2024	Application in process*	Application in process	15.34
RL00007	Retention	27/03/2019	27/11/2019*	25/11/2024	43.39
RL00234	Retention	20/06/2021	06/07/2021	05/07/2024 - Renewal Pending	47.03
EL00257	Exploration	15/07/2021	21/10/2021	20/10/2024 - Renewal Pending	55.51
EL00147	Exploration	19/10/2020	28/12/2020	27/12/2026	30.07
EL00624	Exploration	03/05/2024	03/09/2025	02/09/2029	24.79
EL00616	Exploration	03/05/2024	29/08/2025 [a]	28/08/2029	5.44
EL00148	Exploration	20/10/2020	28/12/2020	27/12/2026	24.08
EL00450	Exploration	07/05/2024	24/03/2025[b]	23/03/2029	24.08

* TN04741 currently relates to the large mining licence application over our current retention licence tenement RL00007

Table 2: Makuutu Resource above 200ppm TREO-CeO2 Cut-off Grade (ASX: 15 May 2024).

Resource Classification	Tonnes (millions)	TREO (ppm)	TREO- CeO_2 (ppm)	LREO (ppm)	HREO (ppm)	CREO (ppm)	Sc_2O_3 (ppm)
Indicated	517	650	440	470	170	220	30
Inferred	99	560	380	420	140	190	30
Total	**617**	**630**	**430**	**460**	**160**	**210**	**30**

Rounding has been applied to 1Mt and 10ppm which may influence averaging calculation.

All REO are tabulated in ASX announcement 15th May 2024 with formulas defining composition of (Light Rare Earth Oxides ("LREO"), Heavy Rare Earth Oxides ("HREO") and Critical Rare Earth Oxides ("CREO").

CORPORATE

Annual General Meeting

IonicRE held its Annual General Meeting (AGM) of shareholders on 28 November 2025 in Melbourne. All resolutions considered were carried by poll (refer ASX announcement 28 November 2025).

Among the AGM resolutions, shareholders approved a share consolidation on the basis that every 30 shares in the Company be consolidated into one share (rounded up to the nearest whole number) and that other securities on issue be adjusted in accordance with the Listing Rules.

On 5 December 2025, IonicRE announced the consolidation of the Company's share capital had been completed (refer ASX announcement).

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Sale of unmarketable parcels

IonicRE announced on 15 December 2025 it had established an Unmarketable Parcel Sale Facility for shareholders holding less than $500 worth of shares in the Company. Shareholders holding an unmarketable parcel and who wish to retain their shares should "opt-out" by returning their duly completed Retention Form to the Company's share registry, Computershare Investor Services Pty Ltd, in accordance with the instructions on the Retention Form, by no later than **5.00 pm (Melbourne time)** on **30 January 2026**.

It is intended that any shareholder who holds an Unmarketable Parcel and does not return a completed Retention Form by then will have their shares sold through the Facility.

The Company will engage a broker to sell the shares under the Facility, and the proceeds from the sale of the shares will be remitted to participating shareholders as soon as practicable following settlement of all shares sold through the Facility, expected to be February 2026. The Company will pay all brokerage costs associated with the sale.

Investor Research

MST Access has published new investor research on IonicRE, highlighting the potential upside for investors as the Company develops its global rare earth magnet recycling technology, with a valuation of $2.55 per share.

A copy of the report is available via the following link: https://ionicre.com/wp-content/uploads/2026/01/IXR.AX-Recycling-Strategy-Expanding-010826.pdf

Renounceable rights issue and Placement

On 14 October 2025, IonicRE announced the successful completion of the Renounceable Rights Issue, which closed heavily oversubscribed, securing $6.1 million. A follow-on $9.5 million Placement was completed to accommodate excess demand, supported by domestic and international institutional investors including a $3 million strategic investment from U.S.-based Argentem Creek Partners, a specialist investment firm with a global presence and experience across the critical minerals, fintech and industrial sectors.

Corporate costs

During the quarter, the Company expended approximately A$72,380 on Ionic Technologies demonstration and study activities, and A$600,929 on Makuutu exploration, demonstration plant and study activities reported above.

Payments to related parties of the entity and their associates totalled A$217,060 and consisted of Executive Director fees of A$192,500 and Non-Executive Director fees of A$24,560.

Forward Outlook

In FY 2026, IonicRE will seek to capitalise on the robust infrastructure and supportive policy environment for its Ionic Technologies' Magnet Recycling facility in Belfast, UK. Pending the outcome of its grant application, the Company aims to advance development of a commercial REO manufacturing facility at Belfast Harbour, representing a significant milestone not only for the Company but also for the development of an ex-China rare earths supply chain in the UK.

IonicRE will also continue discussions with potential project partners and investors, seeking to cement a Western supply chain for its 'made in Belfast' product.

Elsewhere, the Company will continue the expansion of the technology to other key target markets, particularly Brazil and the United States, with the potential for multiple magnet recycling plants globally.

The Makuutu Heavy Rare Earths Project has also become an increasingly strategic asset following China's rare earth export controls and IonicRE will continue discussions with potential project financiers and offtakers to advance the project's development.

For more information about IonicRE and its operations, please visit www.ionicre.com.

Authorised for release by the Board.

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About Ionic Rare Earths Limited

Ionic Rare Earths Limited (ASX: IXR or IonicRE) is an emerging miner, refiner and recycler of sustainable and traceable magnet and heavy rare earths needed to develop net-zero carbon technologies.

Ionic Technologies International Limited ("Ionic Technologies"), a 100% owned UK subsidiary, has developed processes for the separation and recovery of rare earth elements (REE) from mining ore concentrates and recycled permanent magnets. Ionic Technologies is focusing on the commercialisation of the technology to achieve near complete extraction from end of life / spent magnets and waste (swarf) to high value, separated and traceable magnet rare earth products with grades exceeding 99.9% rare earth oxide (REO).

The Makuutu Heavy Rare Earths Project in Uganda, 60% owned by IonicRE, is well-supported by existing tier-one infrastructure and is on track to become a long-life, low Capex, scalable and sustainable supplier of high-value magnet and heavy REO.

IonicRE has also executed a transformational 50/50 joint venture refinery and magnet recycling facility in Brazil with Viridis Mining and Minerals Limited (ASX: VMM) to separate high value magnet and heavy rare earths from the Colossus Project's full spectrum of REOs.

This integrated strategy completes the circular economy of sustainable and traceable magnet and heavy rare earth products needed to supply applications critical to EVs, offshore wind turbines, communication, and key defence initiatives.

IonicRE is a Participant of the UN Global Compact and adheres to its principles-based approach to responsible business.

For more information about IonicRE and its operations, please visit www.ionicre.com

Competent Persons Statement

The information in this report that relates to Mineral Resources for the Makuutu Rare Earths deposit was first released to the ASX on 15 May 2024 and is available to view on www.asx.com.au. Ionic Rare Earths Limited

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confirms that it is not aware of any new information or data that materially affects information included in the relevant market announcement, and that all material assumptions and technical parameters underpinning the estimates in the announcement continue to apply and have not materially changed.

The information in this report that relates to Ore Reserves for the Makuutu Rare Earths deposit was first released to the ASX on 20 March 2023 and is available to view on www.asx.com.au. Ionic Rare Earths Limited confirms that it is not aware of any new information or data that materially affects information included in the relevant market announcement, and that all material assumptions and technical parameters underpinning the estimates in the announcement continue to apply and have not materially changed.

The information in this report that relates to Production Targets or forecast financial information derived from production the production target for the Makuutu Rare Earths deposit was first released to the ASX on 20 March 2023 and is available to view on www.asx.com.au. Ionic Rare Earths Limited confirms that all material assumptions and technical parameters underpinning the Production Targets or forecast financial estimates in the announcement continue to apply and have not materially changed.

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Forward Looking Statements

This announcement has been prepared by Ionic Rare Earths Limited and may include forward-looking statements. Forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of Ionic Rare Earths Limited. Actual values, results or events may be materially different to those expressed or implied in this document. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. Any forward-looking statements in this document speak only at the date of issue of this document. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Ionic Rare Earths Limited does not undertake any obligation to update or revise any information or any of the forward-looking statements in this document or any changes in events, conditions, or circumstances on which any such forward looking statement is based.

ASX Announcements

- 27 January 2026 — UK Govt provides £12 million grant offer to Ionic Technologies
- 22 January 2026 — IXR admitted to OTCQB market in USA
- 15 December 2025 — Sale of unmarketable parcels of shares
- 5 December 2025 — Capital consolidation complete
- 28 November 2025 — Results of Meeting
- 28 November 2025 — IonicRE AGM Presentation
- 24 November 2025 — IXR supports UK Critical Minerals Strategy
- 10 November 2025 — IXR and US Strategic Metals sign MOU for US magnet recycling
- 29 October 2025 — Consolidation/Split - IXR
- 29 October 2025 — 2025 AGM Notice and Proxy meeting materials
- 29 October 2025 — September Quarterly Activities & Cash Flow Report
- 16 October 2025 — Supplementary Prospectus
- 13 October 2025 — US strategic investment enhances IXR rights issue, placement
- 3 October 2025 — Date of AGM and closing date for Director Nominations

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Ionic Rare Earths Limited

ABN	Quarter ended ("current quarter")
84 083 646 477	31 December 2025

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	103
1.2	Payments for		
	(a) exploration & evaluation	(601)	(1,201)
	(b) development	-	-
	(c) production	(72)	(206)
	(d) staff costs	(934)	(2,046)
	(e) administration and corporate costs	(2,960)	(4,434)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	34	41
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	477	783
1.8	Other	189	277
1.9	**Net cash from / (used in) operating activities**	**(3,867)**	**(6,683)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	(39)	(39)

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	(158)
2.6	**Net cash from / (used in) investing activities**	**(39)**	**(197)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	15,129	15,504
3.2	Proceeds from issue of convertible debt securities	-	2,247
3.3	Proceeds from exercise of options	331	2,158
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(1,043)	(1,189)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**14,417**	**18,720**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	1,913	597
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,867)	(6,683)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(39)	(197)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	14,417	18,720

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
4.5	Effect of movement in exchange rates on cash held	(11)	(24)
4.6	**Cash and cash equivalents at end of period**	**12,413**	**12,413**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	12,413	1,913
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**12,413**	**1,913**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	217
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

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7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-
7.5	**Unused financing facilities available at quarter end**		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(3,867)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(3,867)
8.4	Cash and cash equivalents at quarter end (item 4.6)	12,413
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	12,413
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	3.21

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 29 January 2026

Authorised by: By the Board of Ionic Rare Earths Limited
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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