AMERICAN RARE EARTHS LIMITED
ABN: 83 003 453 503 (Australia)

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INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2025

AMERICAN RARE EARTHS

Table of Contents

COMPANY DIRECTORY 3

INTERESTS IN TENEMENTS 4

RESOURCE STATEMENT 5

COMPETENT PERSONS' STATEMENT 5

DIRECTORS' REPORT 6

CORPORATE & FINANCE REVIEW 9

INDEPENDENT AUDITOR'S REVIEW REPORT 10

AUDITOR'S INDEPENDENCE DECLARATION 12

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME 13

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 14

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 15

CONSOLIDATED STATEMENT OF CASH FLOWS 16

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS 17

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES 17
2. SHARE CAPITAL 18
3. RECONCILIATION OF OPERATING CASH FLOW & NET INCOME 19
4. COMMITMENTS 19
5. CONTROLLED ENTITIES 19
6. PROPERTY, PLANT AND EQUIPMENT 20
7. RIGHT-OF-USE ASSETS 20
8. EXPLORATION AND EVALUATION ASSETS 20
9. SECURITY DEPOSITS 20
10. FINANCIAL ASSETS 20
11. CONTINGENT LIABILITIES 21
12. RELATED PARTIES 21
13. SEGMENT INFORMATION 22
14. GOING CONCERN 23
15. SUBSEQUENT EVENTS 23

DIRECTORS' STATEMENT 24

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COMPANY DIRECTORY

DIRECTORS Richard Hudson – Non-Executive Chairman Sten Gustafson – Deputy Chairman Melissa Sanderson Brian Arkell Jason Beckton	**AUDITOR** Hall Chadwick Level 40 2 Park Street Sydney NSW 2000
COMPANY SECRETARY Megan McPherson	**BANKERS** National Australia Bank Jonah Bank of Wyoming
REGISTERED OFFICE Level 40 2 Park Street Sydney NSW 2000	**SECURITIES LISTED** Australian Securities Exchange (ASX): ARR OTCQB Common Shares: ARRNF OTCQX ADRs: AMRRY
AUSTRALIAN OFFICE Suite 706, Level 7 89 York Street Sydney NSW 2000 GPO Box 1546 SYDNEY NSW 2001 Phone: (+61 2) 8054 9779 Email: info@americanree.com **WEBSITE** https://americanree.com	**SHARE REGISTRY** Computershare Investor Services Pty Ltd Level 5, 115 Grenfell Street Adelaide, South Australia 5001 Phone: 1300 556 161 (within Australia) (+61 3) 9415 4000 (outside Australia) www.computershare.com.au

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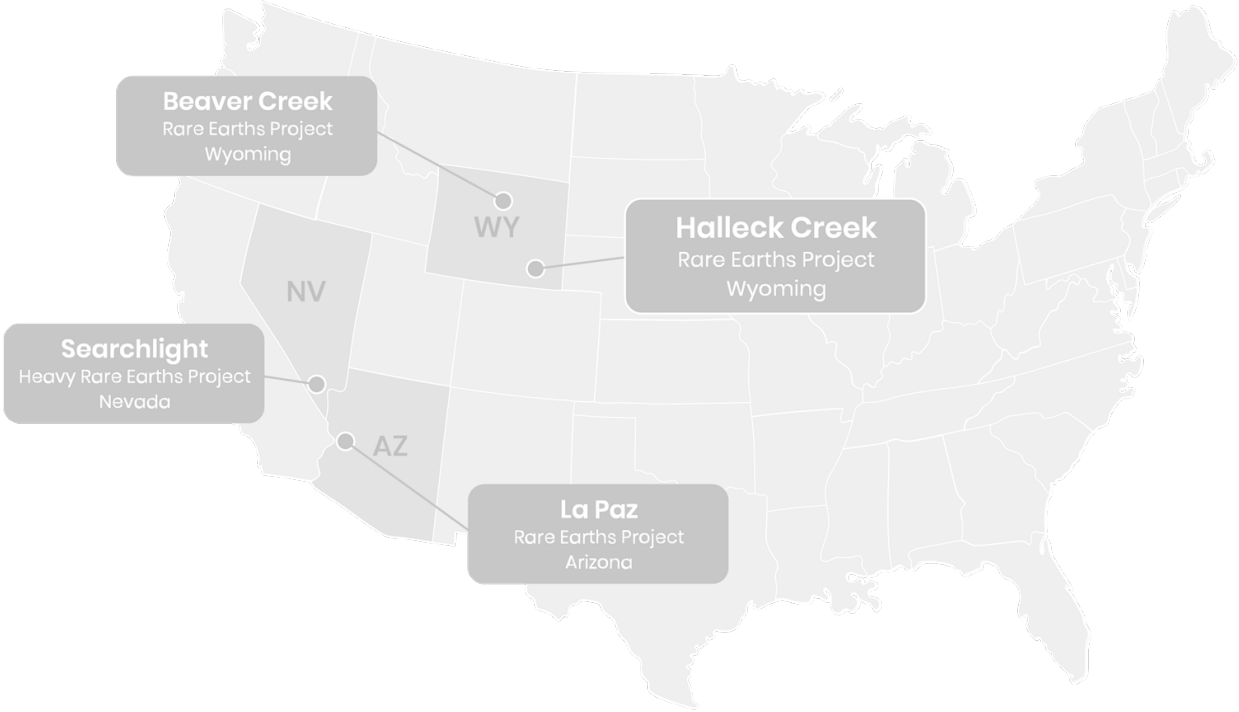

INTERESTS IN TENEMENTS

Tenement Name	Tenement Type and Number	Location	Group Ownership
La Paz	Lease Number 008-120965-00	Arizona, United States	100%
La Paz	La Paz 1 – 14	Arizona, United States	100%
La Paz	La Paz 33 – 69	Arizona, United States	100%
La Paz	La Paz 71, 73, 75	Arizona, United States	100%
La Paz	La Paz 92 - 101	Arizona, United States	100%
La Paz	La Paz 108 – 376	Arizona, United States	100%
Halleck Creek	Rex 1- 5	Wyoming, United States	100%
Halleck Creek	Rex 10 – 23	Wyoming, United States	100%
Halleck Creek	Rex 25 - 43	Wyoming, United States	100%
Halleck Creek	Rex 44 – 72	Wyoming, United States	100%
Halleck Creek	Rex 258 - 375	Wyoming, United States	100%
Halleck Creek	TREX 79 - 165	Wyoming, United States	100%
Halleck Creek	TREX 167 - 176	Wyoming, United States	100%
Halleck Creek	TREX 178 - 181	Wyoming, United States	100%
Halleck Creek	TREX 183 - 254	Wyoming, United States	100%
Halleck Creek	0-43568 – 0-43571	Wyoming, United States	100%
Western Rare	Nevada T-01 – T80	Nevada, United States	100%
Beaver Creek	BM 1 - 37	Wyoming, United States	100%
Beaver Creek	0-43773	Wyoming, United States	100%

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Resource Statement[1]

Table 1 – Mineral Resource Estimate *at Halleck Creek (1000ppm TREO cut off)*

Classification	Tonnage	Grade				Contained Material			
		TREO	LREO	HREO	MREO	TREO	LREO	HREO	MREO
	t	ppm	ppm	ppm	ppm	t	t	t	t
Measured	206,716,068	3,720	3,352	370	904	769,018	692,935	76,550	186,836
Indicated	1,272,604,372	3,271	2,900	360	852	4,162,386	3,689,999	458,140	1,084,256
Meas + Ind	**1,479,320,439**	**3,334**	**2,963**	**361**	**859**	**4,931,405**	**4,382,934**	**534,691**	**1,271,092**
Inferred	1,147,180,795	3,239	2,878	361	837	3,715,661	3,302,005	413,651	960,355
Total	**2,626,501,234**	**3,292**	**2,926**	**361**	**850**	**8,647,066**	**7,684,939**	**948,341**	**2,231,447**

Competent Persons' Statement

The information in this document is based on information compiled by personnel under the direction of Mr. Dwight Kinnes who is Chief Technical Officer of American Rare Earths. This geological work was reviewed and approved for release by Mr. Kinnes (Society of Mining Engineers #4063295RM) who is employed by American Rare Earths and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 JORC Code. Mr Kinnes consents to the inclusion in the report of the matters based upon the information in the form and context in which it appears.

ARR confirms it is not aware of any new information or data that materially affects the information included in the original market announcement, and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. ARR confirms that the form and context in which the Competent Person's findings presented have not been materially modified from the original market announcement.

[1] ASX announcement 29 January 2025

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DIRECTORS' REPORT

FOR THE SIX MONTHS ENDED 31 DECEMBER 2025

The Directors present the following report including financial statements of American Rare Earths Limited (**Company or ARR**) for the six months ended 31 December 2025.

Directors

The names of the Directors of the Company during the half-year and up to the date of this report are:

Richard Hudson	Non-Executive Director & Chairman	Appointed 8 February 2022
Sten Gustafson	Non-Executive Director	Appointed 7 January 2022
Melissa Sanderson	Non-Executive Director	Appointed 12 November 2021
Brian Arkell	Non-Executive Director	Appointed 30 April 2025
Jason Beckton	Non-Executive Director	Appointed 28 October 2025
Chris Gibbs	CEO & Managing Director	Appointed 1 November 2021 Resigned 31 July 2025
Hugh Keller	Non-Executive Director	Appointed 1 October 2024 Resigned 28 October 2025

Review of Operations

During the half-year, American Rare Earths advanced its flagship Halleck Creek Rare Earths Project in Wyoming through a series of significant technical, resource and project development milestones. Activities during the period were focused on de-risking the mineral processing flowsheet, improving beneficiation and metallurgical performance, advancing permitting to support future drilling and development, and progressing workstreams critical to the forthcoming Pre-Feasibility Study ("PFS").

Halleck Creek Project – Wyoming, USA

Major processing milestone – production of rare earth oxides

In December 2025, the Company achieved its most significant technical milestone to date.

Halleck Creek Mixed Rare Earth Oxalate (left) and Mixed Rare Earth Oxide (right)

- Successfully produced a mixed rare earth oxalate and mixed rare earth oxide ("MREO") from Halleck Creek ore using the updated preliminary PFS mineral processing flowsheet.
- Demonstrated that rare earths from Halleck Creek can be processed through leaching, impurity removal, precipitation and calcining to produce rare earth oxides, confirming the technical viability of the flowsheet ahead of solvent extraction.
- Commenced solvent extraction simulation work using the analytical results from the MREO to inform specifications and costs for downstream separation as part of the PFS.

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Mineral processing and metallurgy

The Company made substantial progress in developing and optimising a conventional mineral processing flowsheet for Halleck Creek, achieving several key technical milestones during the period.

- Completed extensive leach testing and impurity removal programs on Halleck Creek mineral concentrates, demonstrating strong rare earth recoveries and materially reduced impurity levels, including iron, aluminium and uranium.
- Selected atmospheric tank leaching as the preferred leach method for the updated PFS flowsheet, based on metallurgical performance and process simplicity.
- Advanced impurity removal testing, confirming effective precipitation of deleterious elements and minimal formation of gypsum or silica gel, historically challenging for allanite-hosted deposits.
- Released a preliminary updated mineral processing flowsheet incorporating recent hydrometallurgical and impurity removal test results, representing a key step toward completion of the PFS flowsheet.

Beneficiation and comminution optimisation

In parallel with planned PFS testwork, the Company undertook additional optimisation programs to improve recoveries and reduce downstream processing requirements.

- Commenced comminution optimisation testing aimed at reducing fines generation and improving beneficiation performance.
- Reported strong initial beneficiation optimisation results using a Reflux Classifier Concentrator ("RCC"), demonstrating comparable rare earth recoveries to spiral circuits with materially lower mass yields, which has the potential to reduce operating and capital costs in downstream hydrometallurgy.
- Identified the RCC as a potential alternative for spirals as the primary beneficiation method, subject to validation through planned bulk testing using material generated from ongoing comminution programs.

Resource growth and geological confidence

The Company strengthened the geological foundation of the Cowboy State Mine ("CSM") area during the period.

- Released an updated Mineral Resource Estimate for the Cowboy State Mine area, incorporating results from 102 channel samples collected during 2025.
- Upgraded approximately 63.9 million tonnes from the Inferred category to Indicated, increasing confidence in near-surface resources suitable for future pit design and mine planning.
- Reported standout channel sample results, including a new record high Total Rare Earth Oxide ("TREO") grade of 13,816 ppm from the Red Mountain area.

Permitting and development readiness

Permitting activities progressed to support future drilling and development beyond the PFS.

- Secured new exploration drilling permits at Halleck Creek, including 27 permitted drill hole locations at the Cowboy State Mine area to support development drilling for future technical studies.
- Obtained an additional 29 permitted drill hole locations at the Bluegrass area, a prospective target with potential to add to the broader Halleck Creek resource base.
- Continued preparation for bulk sampling, optimisation testwork and demonstration-scale activities to support future development decisions.

Project Leadership and Governance

During the period, the Company strengthened its technical oversight and leadership structure.

- Announced the appointment of Mr Mark Wall as Chief Executive Officer, effective January 2026, positioning the Company to lead the next phase of development as it transitions from explorer toward potential producer status.

- Appointed Mr Jason Beckton as a Non-Executive Director, bringing extensive geological and project development experience to the Board.

Subsequent Events

On 19 January 2026, the Company announced it had completed the sale of its shareholding in Godolphin Resources Limited (ASX: GRL) as part of its ongoing focus on disciplined capital management and execution of its development strategy. The Company realised gross proceeds of approximately A$2.89 million. The Board considered the disposal to be a prudent and disciplined use of capital, providing additional financial flexibility as the Company progresses technical studies, metallurgical optimisation and development planning at Halleck Creek.

In January 2026, the Company also announced that, in partnership with the University of Wyoming School of Energy Resources, it had been selected for a Seed Translational Acceleration of Research (STAR) Project award to assess potential end-uses for tailings and by-products associated with future rare earths production at Halleck Creek.

Subsequent to the half year ended 31 December 2025, the Company raised $300,000 via the exercise of 1m options with an exercise price of $0.30 and an expiry date of 19 December 2028.

In February 2026, the Company released a shareholder letter from the newly appointed Chief Executive Officer outlining strategic priorities for 2026, including progression of the Halleck Creek Pre-Feasibility Study, continued permitting and baseline studies, and evaluation of demonstration-scale processing options.

On 2 March 2026, the Company announced the consolidation of the roles of President and CEO with Mr Mark Wall assuming the combined position. The Company also announced a change to Company Secretary with Ms Megan McPherson appointed as Company Secretary effective 2 March 2026 and continuing her role as CFO. Mr Wayne Kernaghan resigned from the position of Company Secretary with the Board acknowledging his service and contribution during his tenure.

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Corporate & Finance Review

During the half-year ended 31 December 2025, the Company raised $14.1m (net of costs) by way of an institutional placement of 46.9 million new fully paid ordinary shares at $0.32. Proceeds of the Placement will be used to develop a demonstration plant at Halleck creek for the beneficiation process, in-fill drilling at the Cowboy State Mine and for engineering work.

In October 2025, the Company received the remaining balance of Cobalt Blue Holdings Limited $1m Promissory Note which was repaid on 1 October 2025 together with outstanding interest.

During the period the Company raised $5.984m via the issue of 19,309,500 fully paid ordinary shares upon the exercise of unlisted options.

Total assets increased to $49,034,028 (30 June 2025: $31,334,278) and total liabilities decreased to $829,800 (30 June 2025: $1,223,784). Loss after income tax for the six-month period to 31 December 2025 was $3,065,179 (six-months ended 31 December 2024: loss $3,786,197).

Auditor's Independence Declaration

We confirm that we have obtained the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001 (Cth)*, which is set out on page 12.

Signed for and on behalf of the Board.

Richard Hudson	Sten Gustafson
Chairman	Director
Date: 09 March 2026	Date: 09 March 2026

AMERICAN RARE EARTHS LIMITED
ABN 83 003 453 503
AND ITS CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF AMERICAN RARE EARTHS LIMITED

Conclusion

We have reviewed the half-year financial report of American Rare Earths Limited (the company) and its controlled entities (the group), which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year then ended, a summary of material accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the group does not comply with the *Corporations Act 2001* including:

(a) giving a true and fair view of the group's financial position as at 31 December 2025 and of its performance for the half year ended on that date; and

(b) complying with Accounting Standard AASB 134: *Interim Financial Reporting and the Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410: *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility of the Directors for the Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the group's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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HALL CHADWICK (NSW)

AMERICAN RARE EARTHS LIMITED
ABN 83 003 453 503
AND ITS CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF AMERICAN RARE EARTHS LIMITED

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000

VINAY SHEORAN
Partner
Dated: 9 March 2026

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HALL CHADWICK

AMERICAN RARE EARTHS LIMITED
ABN 83 003 453 503
AND ITS CONTROLLED ENTITIES

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF AMERICAN RARE EARTHS LIMITED

In accordance with Section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of American Rare Earths Limited. As the lead audit partner for the review of the financial report of American Rare Earths Limited for the half-year ended 31 December 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and

ii. any applicable code of professional conduct in relation to the review.

Hall Chadwick

HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000

VINAY SHEORAN
Partner
Dated: 9 March 2026

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 31 DECEMBER 2025

	6 months ended 31/12/2025 A$	6 months ended 31/12/2024 A$
Continuing Operations		
Interest received	**380,148**	270,096
Other income	**-**	17,907
Revaluation of financial assets	**1,416,111**	(57,181)
Consulting fees	**(370,122)**	(317,280)
Employee expenses	**(1,009,375)**	(1,557,199)
Directors' fees	**(243,138)**	(121,230)
Investor relations	**(116,530)**	(169,912)
Accounting, secretarial, legal	**(354,097)**	(676,343)
Administration expenses	**(256,650)**	(372,324)
ASX, OTC & Registry	**(171,535)**	(112,319)
Recruitment	**(469,432)**	-
Depreciation expense	**(50,710)**	(118,604)
Auditor's remuneration – auditing the accounts	**(22,000)**	(20,590)
Marketing & promotion	**(63,579)**	(38,516)
Interest expense	**(2,356)**	-
Fair value recognition of share-based payments	**(1,708,732)**	(515,108)
Foreign exchange revaluation	**(23,182)**	2,406
Loss for the period before extraordinary items	**(3,065,179)**	(3,786,197)
Income tax benefit	**-**	-
Loss for the period after income tax	**(3,065,179)**	(3,786,197)
Other comprehensive income	**-**	-
Total comprehensive income attributable to the Parent entity	**(3,065,179)**	(3,786,197)
Net Loss per share		
Basic loss per share from continuing operations	**(0.55) cents**	(0.76) cents
Diluted loss per share from continuing operations	**(0.55) cents**	(0.76) cents

This statement is to be read in conjunction with the accompanying notes and the previous year's annual financial statements.

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 31 DECEMBER 2025

	Share capital A$	Options reserve A$	Accumulated losses A$	Foreign currency translation A$	Total A$
2025					
Equity at 1 July 2025	**50,338,838**	**3,461,032**	**(23,673,740)**	**(15,636)**	**30,110,494**
Loss for the year	-	-	(3,403,633)	-	(3,403,633)
Share based payments	-	1,708,732	-	-	1,708,732
Share issue net of costs	14,100,000	-	-	-	14,100,000
Share issues on exercising options	7,173,484	(1,189,684)	-	-	5,983,800
Options cancelled		(338,454)	338,454	-	-
Exchange difference arising on foreign operations	-	-	-	(295,165)	(295,165)
Movement in equity for the period	21,273,484	180,594	(3,065,179)	(295,165)	18,093,734
Equity at 31 December 2025	**71,612,322**	**3,641,626**	**(26,738,919)**	**(310,801)**	**48,204,228**
2024					
Equity at 1 July 2024	**46,687,101**	**3,381,350**	**(17,215,109)**	**204,779**	**33,058,121**
Loss for the year	-	-	(3,786,197)	-	(3,786,197)
Share based payments	-	515,108	-	-	515,108
Share issues on exercising options	3,383,613	(883,613)	-	-	2,500,000
Options cancelled	-	(6,739)	6,739	-	-
Exchange difference arising on foreign operations	-	-	-	(263,904)	(263,904)
Movement in equity for the period	3,383,613	(375,244)	(3,779,458)	(263,904)	(1,034,993)
Equity at 31 December 2024	**50,070,714**	**3,006,106**	**(20,994,567)**	**(59,125)**	**32,023,128**

This statement is to be read in conjunction with the accompanying notes and the previous year's annual financial statements.

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

	Note	31/12/2025 A$	30/06/2025 A$
ASSETS			
Current assets			
Cash and cash equivalents		**23,979,193**	9,353,143
Receivables		**370,232**	248,558
Prepayments		**25,005**	34,488
Financial assets	10	**2,038,135**	1,026,795
Total current assets		**26,412,565**	10,662,984
Non-current assets			
Receivables		**266,665**	164,029
Property, plant & equipment	6	**88,910**	114,995
Right-of-use assets	7	**101,349**	175,401
Exploration and evaluation	8	**21,503,366**	18,827,252
Security deposits	9	**286,704**	393,124
Financial assets	10	**374,469**	996,493
Total non-current assets		**22,621,463**	20,671,294
Total assets		**49,034,028**	31,334,278
LIABILITIES			
Current liabilities			
Trade and other payables		**633,975**	955,419
Provisions		**86,068**	85,494
Lease liabilities		**109,757**	155,947
Total current liabilities		**829,800**	1,196,860
Non-current liabilities			
Lease liabilities		**-**	26,924
Total non-current liabilities		**-**	26,924
Total liabilities		**829,800**	1,223,784
Net Assets		**48,204,228**	30,110,494
EQUITY			
Share capital	2	**71,612,322**	50,338,838
Option reserves	2	**3,641,626**	3,461,032
Foreign currency reserve		**(310,801)**	(15,636)
Accumulated losses		**(26,738,919)**	(23,673,740)
Total equity		**48,204,228**	30,110,494

This statement is to be read in conjunction with the accompanying notes and the previous year's annual financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 31 DECEMBER 2025

	Note	**6 months ended 31/12/2025**	6 months ended 31/12/2024
Cash flows from operating activities			
Interest received		**380,148**	269,607
Cash received in the course of operations		**-**	-
Interest expenses		**-**	-
Payments to suppliers and employees		**(3,106,866)**	(3,879,465)
Net cash used in operating activities	3	**(2,726,718)**	(3,609,858)
Cash flows from investing activities			
Payments for property, plant & equipment		**-**	(56,193)
Payments for investments		**-**	(526,092)
Proceeds from Wyoming State grant		**873,021**	-
Security deposit paid		**-**	(98,784)
Exploration and evaluation expenditure		**(4,525,141)**	(2,641,818)
Net cash used in investing activities		**(3,652,120)**	(3,322,887)
Cash flows from financing activities			
Share capital issued		**20,983,800**	2,500,000
Share issue costs		**(900,000)**	-
Proceeds from promissory note		**1,000,000**	-
Repayment of lease liabilities		**(78,912)**	(127,046)
Net cash provided by/(used in) financing activities		**21,004,888**	2,372,954
Net(decrease) in cash and cash equivalents held		**14,626,050**	(4,559,791)
Cash and cash equivalents at the beginning of the period		**9,353,143**	16,299,550
Cash and cash equivalents at the end of the period		**23,979,193**	11,739,759
Cash comprises:			
Cash at bank		**23,979,193**	11,739,759

This statement is to be read in conjunction with the accompanying notes and the previous year's annual financial statements.

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2025

1. Summary of Material Accounting Policies

Reporting entity

American Rare Earths Limited (**ARR** or **Company**) is a profit-oriented company incorporated in Australia registered under the *Corporations Act 2001* and listed on the Australian Securities Exchange (ASX).

The principal activity of the Company and its subsidiaries (the "Group") is minerals exploration.

The Group consists of American Rare Earths Limited and its wholly owned subsidiaries, Broken Hill Uranium Pty Ltd, Broken Hill Chemical Pty Limited, Broken Hill Minerals Pty Ltd, Murray Basin Minerals Pty Limited, Wyoming Rare Pty Ltd, American Rare Earths Inc, ARE Management LLC, La Paz Rare Earth LLC and Wyoming Rare (USA) Inc.

These interim financial statements were authorised for issue on 09 March 2026.

Reporting currency

The functional and presentation currency is Australian dollars.

Basis of preparation: These general-purpose financial statements for the interim half-year reporting period ended 31 December 2025 have been prepared in accordance with *Corporations Act 2001* and Australian Accounting Standards AASB 134, Interim Financial Reporting.

These accounts have been prepared in accordance with generally accepted accounting practice in Australia and therefore also comply with International Financial Reporting Standards. For this purpose, the Company has designated itself as profit-oriented. It is recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2025, together with any public announcements made during the half-year.

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and financial position on an historical cost basis have been followed by the Group.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Seasonality of operations

The results are unaffected to any significant extent by seasonal factors.

Changes in accounting policies

There have been no changes in accounting policies during the period. The accounting policies and method of computation applied during the previous year were applied on a consistent basis during the current period

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2025 (continued)

2. Share capital

	31/12/2025	**30/06/2025**
	A$	A$
Ordinary shares – 573,607,799 (30 June 2025: 507,423,299)	**71,612,322**	50,338,838
Movement in share capital		
Balance at beginning	50,338,838	46,687,101
Shares issued under Placement	15,000,000	-
Shares issued on exercise of options	7,173,484	3,651,737
Share issue costs	(900,000)	-
Balance at end	71,612,322	50,338,838
Movement in share issued	**No. of shares**	No. of shares
Share capital at 30 June 2025	507,423,299	493,423,299
Shares issued under placement	46,875,000	-
Shares issued on exercise of options	19,309,500	14,000,000
Share capital at 31 December 2025	573,607,799	507,423,299
	A$	A$
Unlisted options – 47,250,000 (30 June 2025: 57,500,000)	**3,461,032**	3,461,032
Movement in options reserve		
Balance at beginning	3,461,032	3,381,350
Granted	1,708,732	1,018,158
Lapsed/Cancelled	(338,454)	(6,739)
Exercised	(1,189,684)	(931,737)
Balance at end	3,641,626	3,461,032
Movement in Options issued	**No. of options**	No. of options
Options on issue at beginning	57,500,000	57,100,000
Granted	14,250,000	14,500,000
Lapsed/Cancelled	(5,190,500)	(100,000)
Exercised	(19,309,500)	(14,000,000)
Options on issue at end	47,250,000	57,500,000

All shares have equal voting rights and will share equally in dividends and surplus on winding up.

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2025 (continued)

3. *Reconciliation of operating cash flow & net income*

	6 months ended 31/12/2025 A$	6 months ended 31/12/2024 A$
Net loss attributable to members of parent entity	**(3,065,179)**	(3,786,197)
Add non-cash items:		
Depreciation expenses	**50,710**	118,604
Fair value recognition of share-based payments	**1,708,732**	515,108
Revaluation of financial assets	**(1,416,111)**	57,181
Changes in assets and liabilities:		
(Increase)/decrease in receivables and other assets	**(30,626)**	(383,994)
(Decrease)/increase in trade and other payables	**216**	(127,665)
Foreign exchange revaluations	**25,540**	(2,895)
Net cash used in operating activities	**(2,726,718)**	(3,609,858)

4. *Commitments*

Expenditure requirements for tenements

The Group had no expenditure requirements for tenements as at 31 December 2025 (2024: $Nil).

5. *Controlled entities*

Interests in subsidiaries

Name of Entity	Equity Held 2025	Equity Held 2024	Country of Incorporation	Reporting Date	Activity
Broken Hill Uranium Pty Ltd	100%	100%	Australia	30 June	Inactive
Broken Hill Chemical Pty Ltd	100%	100%	Australia	30 June	Inactive
Broken Hill Minerals Pty Ltd	100%	100%	Australia	30 June	Inactive
Murray Basin Minerals Pty Ltd	100%	100%	Australia	30 June	Inactive
Wyoming Rare Pty Ltd	100%	100%	Australia	30 June	Mineral Exploration
American Rare Earths Inc.	100%	100%	USA	30 June	Mineral Exploration
La Paz Rare Earth LLC	100%	100%	USA	31 December	Mineral Exploration
Wyoming Rare (USA) Inc.	100%	100%	USA	30 June	Mineral Exploration
ARE Management LLC	100%	100%	USA	31 December	Exploration General Management

The investment in each subsidiary is recorded at cost in the Company's statement of financial position and is eliminated in consolidation.

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2025 (continued)

6. *Property, plant and equipment*

	31/12/2025 A$	30/06/2025 A$
Computers, office equipment and motor vehicle		
Balance at beginning of period	**114,995**	132,422
Additions	**-**	12,320
Transfer motor vehicle from ROUA	**-**	72,181
Disposals	**-**	(27,298)
Depreciation	**(26,085)**	(74,630)
Balance at end of period	**88,910**	114,995

7. *Right-of-use assets*

Right-of-use assets: office leases		
Balance at beginning of period	**175,401**	335,453
Additions	**-**	66,446
Transfer motor vehicle from ROUA	**-**	(72,181)
Depreciation **#**	**(74,052)**	(154,317)
Balance at end of period	**101,349**	175,401

*Includes $49,877 (2025: $94,295) capitalised to exploration and evaluation asset*

8. *Exploration and evaluation assets*

Balance at beginning of period	**18,827,252**	12,773,702
Exploration & evaluation expenses	**4,138,696**	6,157,502
Wyoming State grant	**(1,061,412)**	-
Exchange difference	**(401,170)**	(103,952)
Balance at end of period	**21,503,366**	18,827,252

9. *Security deposits*

Security deposits for tenements	**286,704**	393,124
	286,704	393,124

10. *Financial assets*

Current		
Shares in listed entities at fair value	**2,038,135**	-
5-year promissory note at fair value	**-**	1,026,795
	2,038,135	1,026,795
Non-current		
Shares in listed entities at fair value	**374,469**	996,493
	374,469	996,493

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2025 (continued)

11. Contingent liabilities

There were no contingent liabilities at 31 December 2025 (31 December 2024: $nil).

12. Related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. Amount paid to director-related entities for director and consulting fees were, for the Company and the Group:

	6 months ended 31/12/2025 A$	6 months ended 31/12/2024 A$
Directors' fees:	**243,138**	**121,230**
Options issued: *		
R Hudson – 2 million options @ $0.25	**-**	**278,569**
R Hudson – 1 million options @ $0.3274	**-**	**44,522**
M Sanderson – 1 million options @ $0.3274	**-**	**44,522**
H Keller – 1 million options @ $0.3274	**-**	**44,522**
B Arkell – 250,000 options @ $0.4818	**33,022**	**-**
**Black-Scholes option pricing model used to determine fair value as per AASB 2.*		
Salary and on-costs:		
C Gibbs	**429,567**	**162,979**
M Sanderson	**-**	**12,545**
Consulting Fees:		
Odyssey Mining Pty Ltd – an entity related to C Gibbs	**-**	**59,318**
Mel Sanderson Consulting – an entity related to M Sanderson	**77,023**	**65,240**
	782,750	**833,447**

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2025 (continued)

13. Segment Information

The Company has identified its operating segments based on internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. The Company does not yet have any products or services from which it derives an income.

During the half year to 31 December 2025, CODM has identified the Company as having two reportable segments, being the geographic location of assets in the United States and Australia.

The CODM review EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

	USA A$	Australia A$	Total A$
Consolidated 6 Months Ended December 2025			
Other revenue			
Interest income	7,072	373,076	**380,148**
Other income	-	-	**-**
Revaluation of financial assets	-	1,416,111	**1,416,111**
	7,072	1,789,187	**1,796,259**
Expenses			
General operating expenses	(468,844)	(4,392,594)	**(4,861,438)**
Interest expenses	-	-	**-**
Loss before income tax	(461,772)	(2,603,407)	**(3,065,179)**
Consolidated 6 Months Ended December 2024			
Other revenue			
Interest income	1,191	268,905	**270,096**
Other income	-	17,907	**17,907**
Revaluation of financial assets	-	(57,181)	**(57,181)**
	1,191	229,631	**230,822**
Expenses			
General operating expenses	(2,367,435)	(1,649,584)	**(4,017,019)**
Interest expenses	-	-	**-**
Loss before income tax	(2,366,244)	(1,419,953)	**(3,786,197)**

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2025 (continued)

13. Segment information – continued

Below is an analysis of the Company's assets and liabilities from reportable segments:

	USA A$	Australia A$	Total A$
Consolidated December 2025			
Current assets	1,306,694	25,105,871	**26,412,565**
Non-current assets	21,946,981	674,482	**22,621,463**
Total assets	23,253,675	25,780,353	**49,034,028**
Current liabilities	602,777	227,023	**829,800**
Non-current liabilities	-	-	**-**
Total liabilities	602,777	227,023	**829,800**
Net segment assets	22,650,898	25,553,330	**48,204,228**
Consolidated June 2025			
Current assets	723,124	9,939,860	**10,662,984**
Non-current assets	19,242,853	1,428,441	**20,671,294**
Total assets	19,965,977	11,368,301	**31,334,278**
Current liabilities	908,536	288,324	**1,196,860**
Non-current liabilities	26,924	-	**26,924**
Total liabilities	935,460	288,324	**1,223,784**
Net segment assets	19,030,517	11,079,977	**30,110,494**

14. Going concern

The financial report has been prepared on a going concern basis.

The Group had a net loss of $3,065,179 and had net operating cash outflows of $2,726,718 for the 6 months ending 31 December 2025. As of 31 December 2025, the Group has cash and cash equivalents of $23,979,193, net assets of $48,204,228 of which $2,412,604 were financial assets.

15. Subsequent Events

On 19 January 2026, the Company announced it had completed the sale of its shareholding in Godolphin Resources Limited (ASX: GRL) as part of its ongoing focus on disciplined capital management and execution of its development strategy. The Company realised gross proceeds of approximately A$2.89 million. The Board considered the disposal to be a prudent and disciplined use of capital, providing additional financial flexibility as the Company progresses technical studies, metallurgical optimisation and development planning at Halleck Creek.

In January 2026, the Company also announced that, in partnership with the University of Wyoming School of Energy Resources, it had been selected for a Seed Translational Acceleration of Research (STAR) Project award to assess potential end-uses for tailings and by-products associated with future rare earths production at Halleck Creek.

Subsequent to the half year ended 31 December 2025, the Company raised $300,000 via the exercise of 1m options with an exercise price of $0.30 and an expiry date of 19 December 2028.

In February 2026, the Company released a shareholder letter from the newly appointed Chief Executive Officer outlining strategic priorities for 2026, including progression of the Halleck Creek Pre-Feasibility Study, continued permitting and baseline studies, and evaluation of demonstration-scale processing options.

On 2 March 2026, the Company announced the consolidation of the roles of President and CEO with Mr Mark Wall assuming the combined position. The Company also announced a change to Company Secretary with Ms Megan McPherson appointed as Company Secretary effective 2 March 2026 and continuing her role as CFO. Mr Wayne Kernaghan resigned from the position of Company Secretary with the Board acknowledging his service and contribution during his tenure.

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DIRECTORS' STATEMENT

The Directors of the Company declare that:

1. The financial statements and notes, as set out in the half yearly report to 31 December 2025 are in accordance with the Corporations Act 2001, including:

   (a) comply with Accounting Standard AASB 134, Interim Financial Reporting, and

   (b) give a true and fair view of the Company's financial position as at 31 December 2025 and its performance and cash flows for the period ended on that date.

2. In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable

Signed for and on behalf of the Board of Directors.

Richard Hudson	Sten Gustafson
Chairman	Director
Date: 09 March 2026	Date: 09 March 2026

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