

RareX Limited

ABN 65 105 578 756

Interim Report - 31 December 2025

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RareX Limited
Directors' report
31 December 2025

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity' or 'Group') consisting of RareX Limited (referred to hereafter as 'RareX', the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2025.

Directors

The following persons were directors of RareX Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Jeremy Robinson – Non-Executive Chair
James Durrant – Managing Director
Danny Goeman – Non-Executive Director
Shaun Hardcastle – Non-Executive Director
Selina Hayes – Non-Executive Director (appointed 1 January 2026)

Principal activities

During the financial half-year the principal continuing activities of the consolidated entity consisted of exploration activities at the consolidated entity's mining tenements predominately situated in Western Australia.

Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$931,148 (31 December 2024: \$2,025,220).

During the half-year, RareX continued to advance its portfolio of rare earth and critical minerals assets, with activities primarily focused on progressing the Cummins Range Rare Earths and Phosphate Project in Western Australia.

Key operational activities included:

- Ongoing technical evaluation of the Project's rare earth, phosphate and gallium mineralisation, including continued analysis of historical and current datasets.
- Metallurgical testwork programs undertaken across multiple laboratories in Australia and overseas, targeting rare earth deportment, phosphate liberation, and gallium extraction pathways.
- Continued refinement of potential processing flowsheets and concentrate specifications to support future study phases.

These activities are intended to enhance RareX's understanding of the Project's multi-commodity potential and support the advancement of development planning.

RareX continued to progress preparatory work associated with the RareX–Iluka Resources consortium proposal for the Mrima Hill Project in Kenya, ensuring RareX is positioned to advance the opportunity should the proposal be successful. RareX also maintained engagement with potential strategic partners and downstream participants in the rare earth and critical minerals supply chain.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

Events after the reporting period

On 1 January 2026, Selina Hayes was appointed to the board as a Non-Executive Director.

On 7 January 2026, the consolidated entity issued 4,000,000 ordinary shares at \$0.03 per share as consideration for corporate advice received. The consolidated entity also issued 2,000,000 options expiring 13 October 2028, exercisable at \$0.046 and 1,000,000 options exercisable at \$0.045.

On 13 January 2026, the consolidated entity was granted a mining lease over the Cummins Range Project by the Western Australian Government, providing the consolidated entity with the statutory right to develop a mining operation and confirming the project's advancement beyond the exploration and tenure-risk phase.

On 29 January 2026, 11,500,000 performance rights were converted into shares following the vesting condition of the performance rights being met.

On 30 January 2026, 35,000,000 performance rights were issued.

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On 4 February 2026, the consolidated entity completed a share placement, issuing 181,818,182 shares to institutional, sophisticated and professional investors at \$0.0275 per share, raising \$5,000,000 (before costs). The placement included a one for two free-attaching option exercisable at \$0.045 and expiring 26 months from the date of issue. It is proposed that the free-attaching options will be issued subject to shareholder approval at a forthcoming Extraordinary General Meeting.

No other matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Jeremy Robinson
Non-Executive Chair

16 March 2026

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To the Board of Directors

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit Director for the review of the financial statements of RareX Limited and its controlled entities 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:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- any applicable code of professional conduct in relation to the review.

Yours Faithfully,

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated 16th day of March 2026
Perth, Western Australia

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RareX Limited
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General information

The financial statements cover RareX Limited as a consolidated entity consisting of RareX Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is RareX Limited's functional and presentation currency.

RareX Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Level 1, 1 Alvan Street
Subiaco, Western Australia 6008

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 16 March 2026.

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RareX Limited
Condensed Consolidated Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2025

	Note	Consolidated	Consolidated
		31 Dec 2025	31 Dec 2024
		\$	\$
Other Income	3	379,490	115,204
Grant Income		-	827,789
Expenses			
Administration expenses		(630,944)	(356,289)
Consultants & management expenses		(811,467)	(705,394)
Depreciation and amortisation expense		(35,471)	(48,597)
Finance costs		(1,641)	(2,178)
Legal expenses		(173,933)	(88,913)
Share-based payment expense	9	(928,786)	(274,271)
Exploration expenses		(948,710)	(438,318)
Foreign exchange gain/(loss)		25	(3,410)
Fair value increase/(decrease) in financial assets	4	2,225,240	(945,773)
Share of loss from associate	5	(4,951)	(105,070)
Loss before income tax expense		(931,148)	(2,025,220)
Income tax expense		-	-
Loss after income tax expense for the half-year		(931,148)	(2,025,220)
Other comprehensive losses			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		-	(12,058)
Other comprehensive loss for the half-year, net of tax		-	(12,058)
Total comprehensive loss for the half-year		<u>(931,148)</u>	<u>(2,037,278)</u>
		Cents	Cents
Loss per share attributable to the owners of RareX Limited			
Basic and diluted loss per share		(0.09)	(0.25)

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

RareX Limited
Condensed Consolidated Statement of financial position
As at 31 December 2025

		Consolidated	
	Note	31 Dec 2025	30 Jun 2025
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		1,507,184	1,747,217
Trade and other receivables		282,719	202,652
Other financial assets		40,000	40,000
Total current assets		<u>1,829,903</u>	<u>1,989,869</u>
Non-current assets			
Investments in associate	5	-	4,951
Financial assets at fair value	6	4,398,911	2,337,271
Property, plant and equipment		112,779	137,488
Right-of-use assets		-	8,512
Total non-current assets		<u>4,511,690</u>	<u>2,488,222</u>
Total assets		<u>6,341,593</u>	<u>4,478,091</u>
Liabilities			
Current liabilities			
Trade and other payables		715,387	573,450
Lease liabilities		-	8,637
Provisions		56,165	118,725
Total current liabilities		<u>771,552</u>	<u>700,812</u>
Total liabilities		<u>771,552</u>	<u>700,812</u>
Net assets		<u>5,570,041</u>	<u>3,777,279</u>
Equity			
Issued capital	7	56,316,662	54,578,354
Reserves	8	2,117,102	1,131,500
Accumulated losses		(52,863,723)	(51,932,575)
Total equity		<u>5,570,041</u>	<u>3,777,279</u>

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes

RareX Limited
Condensed Consolidated Statement of changes in equity
For the half-year ended 31 December 2025

Consolidated	Notes	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2024		51,987,481	9,813,688	(57,328,642)	4,472,527
Loss after income tax expense for the half-year		-	-	(2,025,220)	(2,025,220)
Other comprehensive loss for the half-year, net of tax		-	(12,058)	-	(12,058)
Total comprehensive loss for the half-year		-	(12,058)	(2,025,220)	(2,037,278)
<i>Transactions with owners in their capacity as owners:</i>					
Shares issued during the half-year	7	150,000	-	-	150,000
Transaction costs	7	(4,662)	-	-	(4,662)
Share-based payments	9	-	274,271	-	274,271
Balance at 31 December 2024		<u>52,132,819</u>	<u>10,075,901</u>	<u>(59,353,862)</u>	<u>2,854,858</u>
Consolidated	Notes	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2025		54,578,354	1,131,500	(51,932,575)	3,777,279
Loss after income tax expense for the half-year		-	-	(931,148)	(931,148)
Total comprehensive loss for the half-year		-	-	(931,148)	(931,148)
<i>Transactions with owners in their capacity as owners:</i>					
Shares issued during the half-year	7	2,109,000	-	-	2,109,000
Transaction costs	7	(370,692)	198,682	-	(172,010)
Share-based payments	9	-	786,920	-	786,920
Balance at 31 December 2025		<u>56,316,662</u>	<u>2,117,102</u>	<u>(52,863,723)</u>	<u>5,570,041</u>

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes

RareX Limited
Condensed Consolidated Statement of cash flows
For the half-year ended 31 December 2025

	Note	Consolidated	Consolidated
		31 Dec 2025	31 Dec 2024
		\$	\$
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(2,638,219)	(1,881,421)
Interest received		470	20,878
Interest and other finance costs paid		(1,422)	(252)
Proceeds from research and development tax incentives		-	827,789
Other income		(28,147)	93,766
		<u>(2,667,318)</u>	<u>(939,240)</u>
Net cash used in operating activities			
Cash flows from investing activities			
Payments for property, plant and equipment		(2,249)	-
Proceeds from disposal of listed investments		501,400	-
		<u>499,151</u>	<u>-</u>
Net cash from investing activities			
Cash flows from financing activities			
Proceeds from issue of shares	7	2,109,000	150,000
Share issue transaction costs	7	(172,010)	(4,662)
Repayment of lease liabilities		(8,856)	(13,419)
		<u>1,928,134</u>	<u>131,919</u>
Net cash from financing activities			
Net decrease in cash and cash equivalents		(240,033)	(807,321)
Cash and cash equivalents at the beginning of the financial half-year		1,747,217	1,895,899
Cash and cash equivalents at the end of the financial half-year		<u><u>1,507,184</u></u>	<u><u>1,088,578</u></u>

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes

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Note 1. Material accounting policy information

These general purpose financial statements for the interim half-year reporting period ended 31 December 2025 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

Going Concern

As at 31 December 2025, the Group had net current assets of \$1,058,351 (30 June 2025: \$1,289,057) and returned a loss attributable to owners of \$931,148 (31 December 2024: \$2,025,220). The cash balance at 31 December 2025 is \$1,507,184 (30 June 2025: \$1,747,217). The ability of the Group to continue as a going concern is dependent upon the future successful raising of the necessary funding through equity and/or debt and the successful exploitation of the Group's tenements.

The Directors believe that there are reasonable grounds that the Group will be able to continue as a going concern after consideration of the following factors:

- The Group's ability to issue additional shares under the *Corporations Act 2001* to raise further working capital;
- The Group's ability to dispose some or all of listed securities (Kincora Copper Limited, Canada Rare Earth Corp and Cosmos Exploration Limited) as deemed necessary;
- The Group's ability to reduce working capital requirements at the Board's discretion.

These interim financial statements have been prepared on the basis that the Group can meet its commitments as and when they fall due and can therefore continue normal business activities and the recognised of its assets and settlement of its liabilities can occur in the ordinary course of business.

Based on the above, the directors are satisfied adequate resources are in place that the consolidated entity will have sufficient sources of funding to meet its obligations and anticipated expenditure for the next 12 months from the date of this report.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity 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.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Critical accounting judgements, estimates and assumptions

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the financial statements, including the key sources of estimation uncertainty, were the same as those applied in the Group's last consolidated annual financial statements for the year ended 30 June 2025.

Note 2. Operating segments

Identification of reportable operating segments

The consolidated entity's operations are in one reportable business segment, being mineral exploration and development. The company operates in one geographical segment, being Australia.

The operating segment information is the same information as provided throughout the consolidated financial statements and therefore not duplicated. The information reported to the CODM is on a monthly basis.

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31 December 2025

Note 3. Other income

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$	\$
Interest received	470	20,878
Sundry income	41,220	83,211
Gain on disposal of investments	337,800	11,115
	<u>379,490</u>	<u>115,204</u>

Note 4. Fair value increase/(decrease) in financial assets

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$	\$
Shares in Kincora Copper Ltd (TSVX: KCC.V)	2,238,207	(944,650)
Shares in Canada Rare Earth Corp (TSXV: LL.V)	(12,967)	(1,123)
	<u>2,225,240</u>	<u>(945,773)</u>

Note 5. Non-Current assets - Investment in associate

In accordance with AASB 128, the Group has recognised its initial investment in Cosmos Exploration Ltd less its share of Cosmos' post divestment loss. At disposal of subsidiary, RareX have sold their tenements (6) to Cosmos and consideration was received by shares. RareX's shareholding of Cosmos as at 31 December 2025 is 9.22% (30 June 2025: 9.22%).

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
Cosmos Exploration Ltd (10,000,000 shares)	2,000,000	2,000,000
Less: brought forward	(1,995,049)	(1,587,647)
Less: Share of Cosmos' post divestment loss for the period	(4,951)	(407,402)
	<u>-</u>	<u>4,951</u>

Note 6. Non-Current assets – financial assets at fair value through profit or loss

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<i>Shares in listed corporations at fair value – fair value hierarchy level 1</i>		
Kincora Copper Ltd (ASX: KCC) (3,953,000 CDIs, 30 June 2025: 44,983,333 CDIs) ¹	3,873,940	1,799,333
Canada Rare Earth Corp (TSXV: LL.V) (24,064,658 shares, 30 June 2025: 24,064,658 shares) ²	524,971	537,938
	<u>4,398,911</u>	<u>2,337,271</u>

¹ The market value of the CDIs in Kincora Copper Ltd as at 31 December 2025 is based on a closing price of AUD 0.98 (30 June 2025: AUD 0.04). Effective 5 September 2025, the CDI's in Kincora Copper Ltd were consolidated on a 1:10 ratio.

² The market value of shares in Canada Rare Earth Corp as at 31 December 2025 is based on a closing price of CAD 0.02 and an exchange rate of 1 AUD = 0.9168 CAD (30 June 2025: CAD 0.02, 1 AUD = 0.8947 CAD).

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	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
Opening fair value	2,337,271	2,699,729
Disposals	(163,600)	-
Revaluation increments	2,225,240	(362,458)
	<u>4,398,911</u>	<u>2,337,271</u>

Note 7. Equity - issued capital

	Consolidated			
	31 Dec 2025	30 Jun 2025	31 Dec 2025	30 Jun 2025
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>1,015,482,201</u>	<u>920,164,019</u>	<u>56,316,662</u>	<u>54,578,354</u>

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2024	790,131,550		51,987,481
Issue of shares via placement	18 October 2024	10,714,286	\$0.014	150,000
Issue of shares via placement	22 May 2025	119,318,183	\$0.022	2,625,000
Share issue transaction costs, net of tax				(184,127)
		<u>920,164,019</u>		<u>54,578,354</u>
Balance	30 June 2025	920,164,019		54,578,354
Issue of shares via placement	25 July 2025	79,999,998	\$0.022	1,760,000
Issue of shares via placement	29 September 2025	10,227,275	\$0.022	225,000
Issue of shares via placement	22 October 2025	3,409,091	\$0.022	75,000
Issue of shares via placement	22 October 2025	681,818	\$0.022	15,000
Issue of shares as part of agreement with vendor	11 November 2025	1,000,000	\$0.034	34,000
Share issue transaction costs, net of tax				(370,692)
		<u>1,015,482,201</u>		<u>56,316,662</u>
Balance	31 December 2025	<u>1,015,482,201</u>		<u>56,316,662</u>

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Condensed Consolidated Notes to the financial statements
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Note 8. Equity - reserves

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
Options reserve	1,177,225	277,200
Performance rights reserve	939,877	854,300
	<u>2,117,102</u>	<u>1,131,500</u>

Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Options reserve	Performance rights reserve	Foreign currency reserve	Total
	\$	\$	\$	\$
Balance at 1 July 2024	5,874,212	3,934,922	4,554	9,813,688
Share-based payment expense	148,500	74,720	-	223,220
Conversion of performance rights	(5,745,512)	(3,155,342)	-	(8,900,854)
Foreign currency translation	-	-	(4,554)	(4,554)
Balance at 30 June 2025	277,200	854,300	-	1,131,500
Capital raising cost	198,682	-	-	198,682
Share-based payment expense	701,343	85,577	-	786,920
Balance at 31 December 2025	<u>1,177,225</u>	<u>939,877</u>	<u>-</u>	<u>2,117,102</u>

Note 9. Share-based payments

Share-based payments during the half-year ended 31 December 2025 are summarised below:

(a) Recognised share-based payment expense

	31 Dec 2025	31 Dec 2024
	\$	\$
Expense arising from equity settled share-based payment transactions	928,786	274,271

Share-Based Payment	Note	Amount (\$)
Options Granted to vendor	9 (b)(i)	214,959
Options Granted to vendor subject to vesting condition	9 (b)(i)	9,708
Performance rights granted to KMP with non-market based vesting conditions	9 (b)(ii)	36,105
Performance rights granted to KMP with market based vesting condition	9 (b)(iii)	27,496
Options granted to KMP	9 (b)(iv)	476,676
Options granted to lead manager	9 (b)(v)	198,682 ¹
Performance rights granted under mining and heritage protection agreement	9 (b)(vi)	141,418
Options granted to consultant	9 (b)(vii)	447
Performance rights continuing to vest	9 (c)	21,976

¹ The amount for the options granted to lead manager was recognised as a share issue transaction cost rather than a share-based payment expense.

(b) Securities granted during the year.

- i. 30,000,000 options were granted to GEM Global Yield LLC SCS in two tranches on 23 September 2025, with an exercise price of \$0.025 expiring 3 years from the date of issue. The fair value of these options have been determined using a Black Scholes model and the inputs have been detailed below:

	Input	
	Tranche 1	Tranche 2 ¹
Number of securities	15,000,000	15,000,000
Grant Date	23 September 2025	23 September 2025
Underlying share price	\$0.022	\$0.022
Exercise Price	\$0.025	\$0.025
Expected volatility	109%	109%
Expiry date (years)	3.00	3.00
Expected dividends	Nil	Nil
Risk free rate	3.38%	3.38%
Value per security	\$0.0143	\$0.0143
Total fair value of the securities	\$214,959	\$214,959

- ¹ Tranche 2 is subject to the following vesting condition, satisfaction of the Mrima Hill Condition (prospecting licence for the Mrima Hill project is granted to the RareX and Iluka Resources Limited consortium), with the balance of the Options being immediately exercisable. The fair value of the options is therefore expensed over the vesting period.

- ii. 30,000,000 performance rights were granted to KMP on 23 September 2025, expiring 3 years from the date of issue, subject to non-market based vesting conditions. The fair value of these performance rights are outlined below:

	Input	
	Class M	Class N
Number of securities	23,000,000	7,000,000
Grant Date	23 September 2025	23 September 2025
Underlying share price	\$0.022	\$0.022
Expiry date (years)	3.06	3.06
Probability of vesting condition being met	50%	100%
Value per security	\$0.022	\$0.022
Total fair value of the securities	\$253,000	\$154,000

- iii. 15,000,000 performance rights were granted to KMP on 23 September 2025, expiring 3 years from the date of issue, subject to market-based vesting conditions. The fair value of these performance rights have been values using a Black Scholes Model and the inputs have been detailed below:

	Input
	Class O
Number of securities	15,000,000
Grant Date	23 September 2025
Underlying share price	\$0.022
Exercise Price	Nil
Share price target	\$0.05
Expected volatility	109%
Expiry date (years)	3.06
Expected dividends	Nil
Risk free rate	3.43%
Value per security	\$0.0207
Total fair value of the securities	\$309,954

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- iv. 41,000,000 options were granted to KMP on 23 September 2025, with an exercise price of \$0.046 expiring 3 years from the date of issue. The fair value of these options have been determined using a Black Scholes model and the inputs have been detailed below:

	Input
Number of securities	41,000,000
Grant Date	23 September 2025
Underlying share price	\$0.022
Exercise Price	\$0.049
Expected volatility	109%
Expiry date (years)	3.00
Expected dividends	Nil
Risk free rate	3.38%
Value per security	\$0.0116
Total fair value of the securities	\$476,676

- v. 15,000,000 options were granted to joint lead managers on 23 September 2025, with an exercise price of \$0.033 expiring 3 years from the date of issue. The fair value of these options have been determined using a Black Scholes model and the inputs have been detailed below:

	Input
Number of securities	15,000,000
Grant Date	23 September 2025
Underlying share price	\$0.022
Exercise Price	\$0.033
Expected volatility	109%
Expiry date (years)	3.00
Expected dividends	Nil
Risk free rate	3.38%
Value per security	\$0.0132
Total fair value of the securities	\$198,682

- vi. 10,000,000 performance rights were granted under a mining and heritage protection agreement on 24 November 2025, expiring 5 years from the date of issue, subject to non-market based vesting conditions. The fair value of these performance rights are outlined below:

	Input		
	Class P	Class Q	Class R
Number of securities	5,000,000	2,500,000	2,500,000
Grant Date	24 November 2025	24 November 2025	24 November 2025
Underlying share price	\$0.028	\$0.028	\$0.028
Expiry date (years)	5.00	5.00	5.00
Probability of vesting condition being met	100%	50%	50%
Value per security	\$0.028	\$0.028	\$0.028
Total fair value of the securities	\$140,000	\$35,000	\$35,000

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- vii. 1,000,000 options were granted to a consultant on 10 November 2025 with an exercise price of \$0.045 expiring 3 years from the date of issue, vesting upon the company (or a consortium entity in which the company is a participant) being granted mineral rights to Mrima Hill (whether by way of licence, contract or other instrument). The fair value of these options have been determined using a Black Scholes model and the inputs have been detailed below:

	Input
Number of securities	1,000,000
Grant Date	10 November 2025
Underlying share price	\$0.034
Exercise Price	\$0.045
Expected volatility	100%
Expiry date (years)	3.16
Expected dividends	Nil
Risk free rate	3.68%
Value per security	\$0.0202
Total fair value of the securities	\$20,228

- (c) Share options and performance rights on issue

As at 31 December 2025, RareX Limited had the following options and performance rights on issue:

Grant Date	Expiry Date	Exercise Price	Number under Option
1 March 2023	1 March 2026	\$0.10	4,500,000
29 November 2024	27 December 2027	\$0.018	33,000,000
23 September 2025	13 October 2028	\$0.025	30,000,000
23 September 2025	13 October 2028	\$0.049	41,000,000
23 September 2025	22 October 2028	\$0.033	15,000,000
Total options on issue:			123,500,000

Options granted however not yet issued as at 31 December 2025 are summarised below:

Grant Date	Expiry Date	Exercise Price	Number under Option
10 November 2025	7 January 2029	\$0.045	1,000,000

Class	Grant Date	Expiry Date	Number of Performance Rights	Fair Value per Performance Right (\$)	Total Fair Value of Performance Rights Issued (\$)	Expensed to Statement of Profit or Loss for the half-year ended 31 December 2025 (\$)
D	10 February 2023	10 February 2026	2,000,000	0.06	120,000	-
E	10 February 2023	10 February 2026	5,500,000	0.06	330,000	-
E	8 December 2023	10 February 2026	500,000	0.028	14,000	3,240
F	10 February 2023	10 February 2026	6,000,000	0.06	360,000	-
F	8 December 2023	10 February 2026	500,000	0.028	14,000	3,240
G	8 December 2023	10 February 2026	500,000	0.028	14,000	3,240
H	29 November 2024	27 December 2027	4,000,000	0.055	22,000	3,604
I	29 November 2024	27 December 2027	4,000,000	0.055	22,000	3,604
J	29 November 2024	27 December 2027	4,000,000	0.011	4,400	721
K	29 November 2024	27 December 2027	4,000,000	0.011	4,400	721
L	29 November 2024	27 December 2027	4,000,000	0.055	22,000	3,604
M	23 September 2025	13 October 2028	23,000,000	0.022	506,000	22,444
N	23 September 2025	13 October 2028	7,000,000	0.022	154,000	13,661
O	23 September 2025	13 October 2028	15,000,000	0.0207	309,954	27,496
Total performance rights on issue:			80,000,000	Total Expense:	85,575	

RareX Limited
Condensed Consolidated notes to the financial statements
31 December 2025

Performance rights granted however not yet issued as at 31 December 2025 are summarised below:

Class	Grant Date	Expiry Date	Number of Performance Rights	Fair Value per Performance Right (\$)	Total Fair Value of Performance Rights Issued (\$)	Expensed to Statement of Profit or Loss for the half-year ended 31 December 2025 (\$)
D	24 November 2025	24 November 2030	5,000,000	0.028	140,000	140,000
E	24 November 2025	24 November 2030	2,500,000	0.014	35,000	709
E	24 November 2025	24 November 2030	2,500,000	0.014	35,000	709
Total performance rights granted and not issued:			10,000,000	Total Expense:		141,418

Each class of performance rights has the following vesting condition:

Class	Vesting Condition
D	A JORC code compliant inferred or indicated resource of 1MT contained TREO at the Cummins Range Project and 24 months service.
E	Granting of a mining lease for the Cummins Range Project and 24 months service.
F	Completion of a positive pre-feasibility study for the Cummins Range Project and 24 months service.
G	Completion of a definitive feasibility study for the Cummins Range Project and 24 months service.
H	Announcement of an Ore Reserve for Cummins Range with 3-year term.
I	Safe completion of a 3,600m drilling program at Khaleesi Project with 3-year term.
J	Successful project acquisition in Saudi Arabia with 3-year term.
K	Safe completion of a 3,600m drilling program at a project in Saudi Arabia with 3-year term.
L	Successful acquisition of a project with an existing JORC-compliant resource with 3- year term.
M	Grant of a mining licence in respect of the Mrima Hill rare earth-niobium phosphate manganese project in Kenya (Mrima Hill) to an entity in which the Company has direct or indirect equity interest.
N	Grant of a mining lease in respect of the Company's rare earths and phosphate project in the Kimberley region of Western Australia (Cummins Range) to an entity in which the Company has direct or indirect equity interest.
O	The Company's Shares achieving a volume weighted average market price (as defined in the Listing Rules) over 15 consecutive trading days of at least \$0.05 following the date of issue.
P	Upon execution of the mining and heritage protection Agreement by all Parties
Q	Upon the company providing notice to the Prescribed Bodies Corporate of an affirmative Final Investment Decision on the Cummings Range Project.
R	Upon the company providing notice to the Prescribed Bodies Corporate that the Commercial Sale Milestone Threshold has been reached on the Cummins Range Project.

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Note 10. Contingent liabilities

As the company has not completed a positive bankable feasibility (BSF) within 36 months of the acquisition of the Cummins Range Rare Earths Project, the further deferred consideration of \$1,000,000 payable in cash or shares to Element 25 Ltd has been replaced by a royalty of 1% of the net smelter return on commercial production.

The consolidated entity will pay GEM Yield Bahamas Limited a facility fee of AUD \$500,000 payable in cash in two instalments, six and 12 months after contingent on a prospecting licence for the Mrima Hill project being granted to the RareX and Iluka Resources Limited consortium.

The consolidated entity signed a mining heritage protection agreement for the development of the Cummins Range Project. Under the terms of the agreement, the following compensation is owed to the Prescribed Body Corporate (PBC):

Milestone Payments

The Company will make the following milestone payments:

- a) a payment of \$100,000 if the Miner makes an affirmative Final Investment Decision;
- b) a payment of \$850,000 upon the Commercial Sale Milestone Threshold being met (100,000 metric tonnes of minerals)

Annual Payments

The Company will make the following milestone payments:

- a) as an administration payment for the PBC:
 - i. \$75,000 on the fourth and fifth Final Investment Decision anniversaries;
 - ii. \$50,000 on the sixth Final Investment Decision anniversaries and any subsequent Final Investment Decision anniversaries;
- b) as a caring for country payment:
 - i. \$50,000 on the fourth and fifth Final Investment Decision anniversaries;
 - ii. \$75,000 on the sixth Final Investment Decision anniversaries and any subsequent Final Investment Decision anniversaries;
- c) as a payment to promote the education, training, employment and business development for Traditional Owners, \$100,000 on the fourth Final Investment Decision Anniversary and any subsequent Final Investment Decision Anniversary; and
- d) as a care and maintenance payment, \$25,000 if, and only if, on any anniversary of the First Commercial Sale Date:
 - i. the Company holds M80/648 for the Project; and
 - ii. there were no Commercial Sales during the year preceding the particular anniversary of the First Commercial Sale Date

Royalty Payments

Within 30 Business Days of submitting a quarterly royalty return to RevenueWA for minerals produced from the Mining Activities, the Company must pay:

- a) from the First Commercial Sale Date until its third anniversary, 1% of the Royalty Value of each mineral produced from the Mining Activities in the relevant quarter; and
- b) from the third anniversary of the First Commercial Sale Date, 2% of the Royalty Value of each mineral produced from the Mining Activities in the relevant quarter.

The above payments are disclosed as a contingent liability and have not been brought to account as a liability in the financial statements as at 31 December 2025.

RareX Limited
Condensed Consolidated Notes to the financial statements
31 December 2025

Note 11. Commitments

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<i>Exploration expenditure commitments</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Not later than one year	346,949	344,750
Not later than one year and not later than five years	944,981	981,417
	<u>1,291,930</u>	<u>1,326,167</u>

Note 12. Related party transactions

There were no related party transactions in the half-year period to 31 December 2025 outside of normal employment remuneration arrangements.

Note 13. Events after the reporting period

On 1 January 2026, Selina Hayes was appointed to the board as a Non-Executive Director.

On 7 January 2026, the consolidated entity issued 4,000,000 ordinary shares at \$0.03 per share as consideration for corporate advice received. The consolidated entity also issued 2,000,000 options expiring 13 October 2028, exercisable at \$0.046 and 1,000,000 options exercisable at \$0.045.

On 13 January 2026, the consolidated entity was granted a mining lease over the Cummins Range Project by the Western Australian Government, providing the consolidated entity with the statutory right to develop a mining operation and confirming the project's advancement beyond the exploration and tenure-risk phase.

On 29 January 2026, 11,500,000 performance rights were converted into shares following the vesting condition of the performance rights being met.

On 30 January 2026, 35,000,000 performance rights were issued.

On 4 February 2026, the consolidated entity completed a share placement, issuing 181,818,182 shares to institutional, sophisticated and professional investors at \$0.0275 per share, raising \$5,000,000 (before costs). The placement included a one for two free-attaching option exercisable at \$0.045 and expiring 26 months from the date of issue. It is proposed that the free-attaching options will be issued subject to shareholder approval at a forthcoming Extraordinary General Meeting.

No other matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

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RareX Limited
Directors' declaration
31 December 2025

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the financial half-year ended on that date; and
- 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 in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Jeremy Robinson
Non-Executive Chair

16 March 2026

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF RAREX LIMITED

Conclusion

We have reviewed the accompanying half-year financial report of RareX Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 31 December 2025, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of material accounting policies and other selected explanatory notes, 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 half-year financial report of RareX Limited and Controlled Entities does not comply with the *Corporations Act 2001* including:

- a. Giving a true and fair view of the Consolidated Entity'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 *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 Company 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* 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.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

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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 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

Our responsibility is to express a conclusion on the half-year financial report based on our review. 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 Consolidated Entity'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*.

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

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated 16th day of March 2026
Perth, Western Australia