

Indicative, Conditional and Non-Binding Proposal Received by American Rare Earths

American Rare Earths Limited (ASX: ARR | OTCQX: ARRNF | ADR: AMRRY) (“ARR” or the “Company”) advises that it has received an indicative, conditional and non-binding proposal from a NASDAQ-listed Special Purpose Acquisition Company (“SPAC”) to acquire, by an issue of shares, the Company’s 100% owned subsidiary Wyoming Rare (USA) Inc, which holds the Company’s 2.34 billion tonne Halleck Creek Rare Earth Project (“Halleck Creek”). The proposal would have resulted in Wyoming Rare (USA) Inc. being listed (via a combination) with the SPAC as a separate entity on the NASDAQ Exchange in the USA.

The Board of ARR are aware of the potential benefits of this type of proposal as it follows a similar successful pathway of MP Materials, who also achieved listing of Mountain Pass utilising a combination with a SPAC. However, the board is mindful of the significant potential of Halleck Creek, and the need to maximise returns to shareholders, while minimising dilution and has declined to advance at this time. The Board will continue to evaluate all strategic alternatives to ensure optimal returns to its shareholders, particularly after reaching certain near-term operational milestones that will provide investors further confidence in the significant value the Company believes is presented by Halleck Creek.

ARR Chairman, Richard Hudson commented:

“The inbound interest received in American Rare Earths underscores the immense value and strategic significance of our Halleck Creek Rare Earth Project. As we navigate potential pathways for growth, including the recent proposal from a NASDAQ-listed SPAC, we remain committed to maximising returns for our shareholders while advancing our mission of sustainable resource development.”

This announcement has been authorised for release by the Chairman of American Rare Earths.

About American Rare Earths Limited:

[American Rare Earths](#) (ASX: ARR | OTCQX: ARRNF | ADR: AMRRY) owns the Halleck Creek, WY and La Paz, AZ rare earth deposits which have the potential to become the largest and most sustainable rare earth projects in North America. American Rare Earths is developing environmentally friendly and cost-effective extraction and processing methods to meet the rapidly increasing demand for resources essential to the clean energy transition and US national security. The Company continues to evaluate other exploration opportunities and is collaborating with US Government-supported R&D to develop efficient processing and separation techniques of rare earth elements to help ensure a renewable future.

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