

2024 AGM CHAIRMAN'S ADDRESS

Building a sustainable and profitable future for American Rare Earths

Dear Shareholders,

This past year has been a pivotal one for American Rare Earths. We've made significant progress, especially at our Halleck Creek Project in Wyoming, which has emerged as one of North America's most promising rare earth deposits. Our work this year has laid a strong foundation for continued success.

In November 2023, we completed a comprehensive drilling campaign at the Cowboy State Mine area, confirming high-grade mineralisation, with Total Rare Earth Oxide (TREO) concentrations reaching up to 11,040 ppm. The final drilling for 2024 has revealed multiple high-grade intersections exceeding 5,000 ppm TREO, demonstrating the project's upside potential. These findings will underpin updated geological models and resource estimates, paving the way for the next phase of development. To build on this, we extended the program, adding five more RC drill holes in the western section near Red Mountain, targeting even higher-grade zones. As we analyse this new data and await assay results, we are optimistic about how this will enhance our resource models and development plans.

We are also thrilled to announce the engagement of BMO Capital Markets Limited ("BMO"), a globally recognised leader in metals and mining financial advisory, as our financial adviser. This partnership is a major step forward in ARR's vision to establish the Halleck Creek Project as a cornerstone of the U.S. critical minerals supply chain. BMO will work closely with our U.S.-based subsidiary, Wyoming Rare USA Inc. (WRI), to explore strategic investments, joint ventures, mergers and acquisitions, and offtake agreements that support the accelerated development of this high-potential project. BMO's involvement underscores our commitment to advancing Halleck Creek's role as a strategic resource for the U.S. rare earth supply chain.

The March 2024 Halleck Creek Scoping Study underscored the Project's impressive economics, with an NPV8 of US\$674 million, an IRR of 22.5%, and a payback period of less than three years. We also made substantial advancements in processing technology, achieving 80% rare earth element recovery with more efficient, low-temperature leaching methods. These developments strengthen our position as a future low-cost, environmentally responsible rare earth producer.

Pleasingly, we have delivered major financial achievements this year. In June 2024, we secured a A\$10.7 million, non-dilutive grant from the State of Wyoming, a pivotal milestone for our project's development. This grant will fund further exploration and drilling activities, environmental studies, pilot processing plants, and crucial permitting for the Cowboy State Mine. The support from Wyoming highlights the state's commitment to advancing strategic resource projects that contribute to U.S. national security and energy independence. This financial backing ensures that we have the capital needed to keep pushing forward with our strategic initiatives.

A major milestone was receiving a non-binding Letter of Interest from the Export-Import Bank of the United States (EXIM) in September 2024. They've indicated potential funding of up to US\$456 million for the Cowboy State Mine, covering the initial capex estimate from our Scoping Study. This potential support from EXIM underscores the strategic importance of Halleck Creek and highlights the U.S. Government's commitment to securing a domestic rare earth supply chain. We'll keep you updated as due diligence proceeds and discussions advance.

Our CEO Chris Gibbs described it best: "This Letter of Interest from EXIM Bank is a pivotal moment, showing strong government backing for our mission. We're excited to work together and advance this critical project."

This year, we said a heartfelt farewell to Geoff Hill, a founding shareholder and long-standing Director. Geoff played a crucial role in our journey, from our origins to the acquisition of Halleck Creek, and his strategic guidance has been invaluable. Although he steps back from the Board, he will continue as a consultant, and we thank him deeply for his invaluable contributions.

At the same time, we are pleased to welcome Hugh Keller to the Board as a Non-Executive Director. Hugh's extensive background in governance, law, and audit committee leadership will be a great asset as we execute our growth strategy.

Our investment in Godolphin Resources Limited is another strategic move that aligns perfectly with our vision. We're looking to increase our shareholding and Chris Gibbs has joined their Board. This partnership positions us to support high-potential projects like the Lewis Ponds Gold and Base Metals Project and the Narraburra Rare Earths Project. It's a strategic collaboration that enhances our reach in the critical minerals sector.

I'm also proud to share that Melissa Sanderson, a valuable member of our Board, was appointed Co-Chair of the Critical Minerals Institute (CMI) earlier this month. Melissa's expertise in sustainable development and policy advocacy has already been a major asset to ARR, and her new role will elevate our influence in shaping a sustainable and secure North American rare earth supply chain.

As we look ahead, we remain focused on advancing the Pre-Feasibility Study for Halleck Creek in 2025 and are confident about what's to come. With potential funding from EXIM Bank and a solid financial position, we have the resources to accelerate development and attract strategic partners. Sustainability remains a top priority, and we're committed to responsible environmental practices and meaningful community engagement.

Thank you for your continued trust and support. We've made incredible progress this year, and I'm excited for the opportunities ahead as we build a sustainable and profitable future for American Rare Earths.

Sincerely,

Richard Hudson
Chairman

This announcement is 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 Wyoming Rare (USA) Inc. which is focused on the development of the Halleck Creek Project, WY. It also owns La Paz, AZ rare earth deposit. Both can potentially become the largest and most sustainable rare earth projects in North America. The Company 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 (REEs) elements to help ensure a renewable future.