

11 August 2025

\$1 Million Australian Government grant instalment received: Koppamurra Rare Earths project advances

Highlights:

- **\$1 million Australian Government International Partnerships in Critical Minerals (IPCM)¹ grant instalment received:** Reinforces confidence in AR3's execution of the grant work program.
- **Total IPCM grant receipts now \$1.75 million:** Further \$3.25 million scheduled for 2026 under AR3's \$5 million IPCM grant.
- **Testwork and PFS Progressing:** Metallurgical testwork and Pre-Feasibility Study (PFS) on track to deliver key insights and de-risk the pathway to production.
- **Critical minerals focus:** Ongoing IPCM funding supports AR3's progress towards becoming a future supplier of both light and heavy rare earths.
- Engage with this announcement at the AR3 [investor hub](#).

AR3 Managing Director and CEO, Travis Beinke, commented:

"This latest \$1 million IPCM grant instalment marks the meaningful progress we're making at Koppamurra. It comes at a time when momentum in the rare earths sector is building rapidly, highlighted by the recently announced partnership between MP Materials and the U.S. Department of Defense², which underscores the strategic imperative of establishing secure, international supply chains.

Meanwhile, in Australia, we note with encouragement the positive announcements by the Australian Government of its intention to implement a Critical Minerals Strategic Reserve and National Offtake Agreements, to incentivise new critical minerals, supply, including rare earths.

The market is beginning to recognise projects like Koppamurra, which bring needed diversification to the global supply of light and heavy rare earths, are vital to many modern strategic sectors including energy transition, defence applications, and advanced manufacturing. With strong government support, robust market tailwinds, and a commitment to sustainable development, AR3 is well placed to become a supplier of high-quality, responsibly sourced rare earth feedstocks to global markets."

¹ Refer ASX announcement 6 December 2024

² <https://investors.mpmaterials.com/investor-news/news-details/2025/MP-Materials-Announces-Transformational-Public-Private-Partnership-with-the-Department-of-Defense-to-Accelerate-U-S--Rare-Earth-Magnet-Independence/default.aspx>

Australian Rare Earths Limited (ASX: AR3) is pleased to announce it has received its \$1 million progress instalment from the Australian Government under the International Partnerships in Critical Minerals (IPCM) Program grant of \$5 million. This brings total funding received to date to \$1.75 million, with the remaining \$3.25 million scheduled to be received during 2026.

The latest milestone reflects substantial progress across core workstreams at the Company's flagship Koppamurra Rare Earths Project, including progress of advanced metallurgical testwork and early initial work towards the PFS.

Koppamurra is poised to be a significant contributor to a diversified supply of rare earths feedstocks, including the strategically valuable heavy rare earths required for technologies such as wind turbines, robotics, EV motors, and advanced electronics.

Recent global developments, from rising demand driven by clean energy adoption through to heightened geopolitical focus on critical minerals, continue to create favourable conditions for high-quality projects. The recent MP Materials / U.S. Department of Defense partnership reinforces the premium placed on secure and responsible rare earth supply, further validating AR3's strategic importance.

The announcement has been authorised for release by the Board of Australian Rare Earths Limited.

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Engage and Contribute at the AR3 investor hub: <https://investorhub.ar3.com.au/>

About Australian Rare Earths Limited

Australian Rare Earths (AR3) is an emerging diversified critical minerals company, strategically positioned to meet the growing global demand for uranium and rare earth elements:

- *AR3's Koppamurra Rare Earths Project in South Australia and Victoria is a significant deposit of light and heavy rare earths, which has secured important Australian government support through a \$5 million grant to accelerate development. With support from global advanced industrial materials manufacturer, Neo Performance Materials, AR3 is progressing toward a Pre-Feasibility Study and a demonstration facility, solidifying its role in diversifying global rare earth supply chains for the clean energy transition.*
- *AR3's large ~7,700 km² Overland Uranium Project in South Australia shows strong uranium discovery potential, with initial drilling identifying opportunities for substantial near-surface and deeper deposits.*

With strategic projects and strong government support, AR3 is poised for significant growth in the critical minerals market.