

LOYALTY OPTIONS OFFER

HIGHLIGHTS:

- **Bonus Issue of Loyalty Options in Axel REE Limited**
- **One (1) Option for every two (2) shares held as of the Record Date of 31 January 2025 for nil consideration**
- **Exercise price of \$0.20 per Option, with expiry date 7 February 2028**
- **Axel to apply for ASX quotation of the Options**

Axel REE Limited (**ASX: AXL**, “**Axel**” or “**the Company**”) is pleased to announce that it will undertake a non-renounceable pro-rata bonus issue of options on the basis of one (1) option (**Loyalty Option**) for every two (2) shares held by eligible shareholders at 5pm (AEDT) on 31 January 2025 (**Record Date**) for nil consideration per Loyalty Option (**Loyalty Option Offer**).

The Loyalty Option Offer is designed to acknowledge the support and loyalty the Company has received from its shareholders since its recent initial public offer on the ASX (**IPO**), many of them having supported the Company at or prior to the IPO. In addition, the options will provide the Company with a potential source of additional capital if the options are exercised in the future.

Each Loyalty Option will be exercisable for one (1) fully paid ordinary share, at the exercise price of \$0.20 per Loyalty Option on or before the expiry date being 7 February 2028. The Loyalty Option Offer is being made to all shareholders of the Company named on its register of members at the Record Date, whose registered address is in Australia or New Zealand (**Eligible Shareholders**).

The Company will apply to the ASX for the quotation of the Loyalty Options issued under the Entitlement Offer, subject to compliance with the requirements under the ASX Listing Rules. Full details of the Loyalty Option Offer are set out in the prospectus lodged by the Company on the ASX and to be despatched to the Eligible Shareholders on 24 January 2025.

Further details regarding the Loyalty Options Offer, including how to accept, will be set out in the Prospectus. An electronic copy of the Prospectus can be accessed at <https://axelreelimited.com.au/investors/announcements/>.

The anticipated timetable for the Loyalty Option Offer is as follows:

Key Dates

Event	Date
Announcement of the Offer and lodgement of Appendix 3B with ASX	Monday, 7 October 2024
Lodgement of Prospectus with ASIC and ASX	Friday, 24 January 2025
Ex date	Thursday, 30 January 2025
Record Date	Friday, 31 January 2025
Loyalty Options issued (before 12pm AEDT) and lodgement of Appendix 2A with ASX	Friday, 7 February 2025
Options exercise period	7 February 2025 to 7 February 2028
Expiry Date for New Options	5.00pm (AEDT), 7 February 2028

¹ Dates and times are indicative only and subject to change. All times and dates refer to AEDT time. The Company reserves the right, subject to the Corporations Act, ASX Listing Rules and other applicable laws, to vary the dates of the Offer without prior notice.

For the purposes of calculating each Eligible Shareholders entitlement, fractional entitlements will be rounded down to the nearest whole number. Only shareholders with a registered address in Australia and New Zealand as at the Record Date, will be eligible to participate in the Loyalty Option Offer.

This announcement was authorised by the Board of Directors.

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About Axel REE

Axel REE is an exploration company which is primarily focused on exploring the Caladão, Caldas, Itiquira, and Corrente rare earth elements (REE) projects in Brazil. Together, the project portfolio covers over 1,105km² of exploration tenure in Brazil, the third largest country globally in terms of REE Reserves.

The Company's mission is to explore and develop REE and other critical minerals in vastly underexplored Brazil, which are crucial for the advancement of modern technology and the transition towards a more sustainable global economy. Axel's strategy includes extensive exploration plans, aimed at fully realising the potential of its current projects and seeking new opportunities.