

Employee Performance Rights and Change to Managing Director’s Employment Terms

RareX Limited (“RareX” or “the Company”) (ASX: REE) advises the issue of performance rights under the Company’s Employee Securities Incentive Plan (as approved by Shareholders on 8 August 2018) (“ESIP”), the proposed issue of performance rights to the Managing Director and Non-Executive Directors, and an update to the Managing Director’s employment terms.

To retain talent, the Board sees the most effective means as to incentivise management and employees with performance rights linked directly to share price appreciation to the benefit of all shareholders. In setting these milestones and in reviewing the Managing Director’s remuneration package, the Board sought independent advice from leading remuneration consultants, BDO, who undertook a review of the Company’s remuneration including benchmarking against its peers.

Details of the performance rights and vesting conditions are set out below:

Tranche	Vesting Conditions	Recipients		
		Employees under ESIP	Managing Director	Non-Executive Directors (total)
1	20 day VWAP of \$0.20 and 12 months continuous service	2,500,000	5,000,000	4,500,000
2	20 day VWAP of \$0.25 and 18 months continuous service	2,500,000	5,000,000	4,500,000
3	20 day VWAP of \$0.30 and 24 months continuous service	2,500,000	5,000,000	4,500,000

The issue of the performance rights to the Directors will be subject to shareholder approval and further details will be provided in a notice of meeting to be issued in due course.

Following the remuneration review, the key employment terms for the Managing Director, Mr Jeremy Robinson, effective 1 February 2021 are:

- Role & Term: Managing Director on an ongoing basis
- Total Fixed Remuneration: \$270,000 per annum plus superannuation at 9.5%
- Notice Period: 6 months’ notice by the Company or Managing Director
- 2021 Performance Rights: as noted above

RareX Chairman, Mr John Young, commented

“Having undertaken an independent review of the remuneration packages for the Company, the Board is pleased to be able to recognise the significant efforts of its management and staff during the crucial period since the acquisition of the Cummins Range Rare Earths Project. The review identified areas where we were not in alignment with our peers, and to ensure that RareX is able to retain and attract high calibre talent, we have adjusted our remuneration strategy accordingly. We are looking forward to this next phase of development of the Company in the knowledge that we have a strong, capable team in place.”

This announcement has been authorised for release by the Board of RareX Limited.



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