

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme Peak Rare Earths Limited

ACN/ARSN 112 546 700

1. Details of substantial holder (1)

Name Shenghe Resources (Singapore) Pte. Ltd.
Leshan Shenghe Rare Earth Co., Ltd.
Shenghe Resources Holding Co., Ltd.

ACN/ARSN (if applicable) _____

The holder became a substantial holder on 11 February 2022

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Fully paid ordinary shares	39,644,620	39,644,620	19.90%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Shenghe Resources (Singapore) Pte. Ltd.	Relevant interest pursuant to section 608(8) of the Corporations Act 2001 (Cth) (Corporations Act) as a result of entering into an agreement to acquire the shares, a true copy of which is attached. Following completion of the acquisition of the shares under the agreement, Shenghe Resources (Singapore) Pte. Ltd. will be the registered holder of the shares and will have a relevant interest pursuant to section 608(1)(a) of the Corporations Act 2001.	39,644,620 fully paid ordinary shares
Leshan Shenghe Rare Earth Co., Ltd.	Deemed relevant interest pursuant to section 608(3) of the Corporations Act as holds more than 20% of the shares in Shenghe Resources (Singapore) Pte. Ltd.	39,644,620 fully paid ordinary shares
Shenghe Resources Holding Co., Ltd.	Deemed relevant interest pursuant to section 608(3) of the Corporations Act as holds more than 20% of the shares in Leshan Shenghe Rare Earth Co., Ltd.	39,644,620 fully paid ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Shenghe Resources (Singapore) Pte. Ltd.	Shenghe Resources (Singapore) Pte. Ltd.	Shenghe Resources (Singapore) Pte. Ltd.	39,644,620 fully paid ordinary shares
Leshan Shenghe Rare Earth Co., Ltd.	Shenghe Resources (Singapore) Pte. Ltd.	Shenghe Resources (Singapore) Pte. Ltd.	39,644,620 fully paid ordinary shares
Shenghe Resources Holding Co., Ltd.	Shenghe Resources (Singapore) Pte. Ltd.	Shenghe Resources (Singapore) Pte. Ltd.	39,644,620 fully paid ordinary shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Shenghe Resources (Singapore) Pte. Ltd.	11 February 2022	A\$39,248,173.80 to be paid on completion of the acquisition of the shares	N/A	39,644,620 fully paid ordinary shares
Leshan Shenghe Rare Earth Co., Ltd.	11 February 2022		N/A	39,644,620 fully paid ordinary shares

Shenghe Resources Holding Co., Ltd.	11 February 2022		N/A	39,644,620 fully paid ordinary shares
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6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association

7. Addresses

The addresses of persons named in this form are as follows:

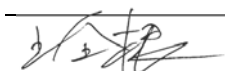
Name	Address
Shenghe Resources (Singapore) Pte. Ltd.	60 Paya Lebar Road #08-05 Paya Lebar Square Singapore 409051
Leshan Shenghe Rare Earth Co., Ltd.	Jinsu Town, Wutongqiao, Leshan, Sichuan, China
Shenghe Resources Holding Co., Ltd.	Room 1001, No. 289 Chengxindajian Road Xihanggang Street, Shuangliu District, Chengdu Sichuan, China

Signature

print name MR QUANGEN WANG

capacity Director

sign here



date 13 February 2022

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.

- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."
 - (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
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Shenghe Resources (Singapore) Pte. Ltd.
60 Paya Lebar Road
#08-05 Paya Lebar Square,
Singapore 409051

11 February 2022

Dear Directors

SHENGHE PURCHASE OF 19.90% PEAK SHARES FROM APPIAN

1 Background

Appian Pinnacle HoldCo Limited (**Appian**) is the registered holder of 43,587,838 fully paid ordinary shares in Peak Rare Earths Limited ACN 112 546 700 (**Peak**).

Appian has agreed to sell and Shenghe Resources (Singapore) Pte. Ltd. (**Shenghe**) has agreed to purchase 39,644,620 fully paid ordinary shares in Peak from Appian (**Sale Shares**), representing 19.90% of the Peak fully paid ordinary shares on issue.

2 Sale and purchase

2.1 Purchase Price

- (a) The purchase price payable for the Sale Shares is A\$0.99 per Sale Share, and the aggregate purchase price for the Sale Shares is A\$39,248,173.80 (**A\$ Purchase Price**).
- (b) Appian requires payment of the A\$ Purchase Price to be made in United States dollars based on the Australian dollar to United States dollar exchange rate of 0.7175 (being the exchange rate published by the Reserve Bank of Australia on the Business Day immediately prior to the date of this letter), being the agreed amount of US\$28,160,564.70 (**US\$ Purchase Price**).

2.2 Completion

- (a) Completion of the sale and purchase of the Sale Shares must occur as follows:
 - (1) on the Business Day following the date of this letter:
 - (A) Shenghe must deliver to Appian a signed copy of the completed share transfer form (for non-market transactions) for the Sale Shares in the form set out in Schedule 1 (**Share Transfer Form**), executed by or on behalf of Shenghe (to the extent not delivered upon execution of this letter);
 - (B) Appian must execute a copy of the Share Transfer Form (to the extent not executed by or on behalf of Appian upon execution of this letter) and must send a copy of the signed Share Transfer Form to Shenghe for information purposes only and must only be delivered to Canaccord in accordance with clause 2.2(a)(3);
 - (2) by no later than the date that is 2 Business Days following the date of this letter, Shenghe must pay the US\$ Purchase Price to Appian by telegraphic or other electronic means of transfer of cleared funds into the Appian Account, such that Appian will receive the US\$ Purchase Price in cleared funds on the third Business Day following the date of

this letter. Shenghe must notify Appian by email or such other electronic transmission after the US\$ Purchase Price has been paid.

- (3) subject to Appian's receipt of the US\$ Purchase Price in cleared funds, as soon as practicable following receipt of funds and by no later than 12.00pm (Sydney time) on the third Business Day following the date of this letter, Appian must deliver the Share Transfer Form (executed by or on behalf of Appian and Shenghe) to Canaccord and instruct Canaccord to process by no later than 5.00pm (Sydney time) on the third Business Day following the date of this letter the off-market transfer of the Sale Shares from Appian to Shenghe (to be undertaken electronically via a CHES 005 message between the Holding Identification Numbers (HINs) held by Canaccord for Appian and Shenghe); and
 - (4) Appian must promptly notify Shenghe upon Canaccord processing the off-market transfer of the Sale Shares in accordance with clause 2.2(a)(3).
- (b) The obligations in clause 2.2(a) are interdependent and must take place as contemplated in clause 2.2(a). If one party does not satisfy an obligation imposed on it under clause 2.2(a), then without limiting any other remedies the other party may have (including seeking an order of specific performance of the defaulting party's obligations under clause 2.2(a)), there is no obligation on the other party to perform any further obligations imposed on it under clause 2.2(a) and to the extent those obligations have already been satisfied, the non-defaulting party may elect to require the parties to do everything required to reverse those obligations (including returning all documents delivered under clause 2.2(a)(1)(A) or 2.2(a)(3) and repaying any payments received under clause 2.2(a)(2)).
 - (c) For the purpose of clause 2.2, the Share Transfer Form to be signed by either party, may be signed and delivered electronically including by email or such other electronic transmission.
 - (d) Appian and Shenghe must each promptly do all further acts and execute and deliver all further documents (in a form and content reasonably satisfactory to that party) required by law or reasonably requested by another party to give effect to the sale and purchase of the Sale Shares in accordance with this letter.
 - (e) The parties acknowledge and agree that Appian's obligation to sell, and Shenghe's obligation to purchase, the Sale Shares in accordance with the terms of this letter are not subject to the satisfaction or waiver of any conditions precedent (or post-closing conditions) and constitute legally binding and enforceable obligations of the parties upon execution of this letter.
 - (f) In this clause 2.2, the terms:
 - (1) **Appian Account** means the bank account set out in Schedule 2;
 - (2) **Business Day** means a day on which banks are open for business in Sydney, other than a Saturday, Sunday or public holiday in that city; and
 - (3) **Canaccord** means Canaccord Genuity Financial Limited ABN 69 008 896 311.

3 General

- (a) Each party must pay its own costs and expenses in respect of the negotiation, preparation, execution, delivery and registration of this agreement and any other agreement or document entered into or signed under this agreement.

- (b) Appian warrants and represents to Shenghe that:
- (1) Appian is the sole legal and beneficial owner of the Sale Shares and the Sale Shares are clear and free from any lien, mortgage, pledge, encumbrance, security interest, or any other third party right or any restriction on transfer;
 - (2) Appian has obtained all necessary approvals, consents and authorisations to enter into and perform its obligations under this letter agreement;
 - (3) Appian is a body corporate, validly existing under the laws of its incorporation;
 - (4) to the best knowledge of Appian, Appian is not aware of any information that has been given by or on behalf of Appian or disclosed by any of Appian's directors, officers, employees, professional advisers or representatives to Shenghe in connection with the negotiation and/or execution of this agreement contains any untrue or misleading statement of a material fact, or omits to state any material fact;
 - (5) Appian is not aware of any fact or matter or circumstances not disclosed in writing to Shenghe which renders any ASX announcement released by Peak untrue, inaccurate or misleading in any material respect;
 - (6) the Sale Shares rank equally in all respects with existing fully paid ordinary shares of Peak and may be offered for sale, and may be on-sold, without disclosure to investors under Part 6D.2 of the Corporations Act 2001 (Cth) and neither Appian nor any person who controls Appian is a controller of Peak within the meaning of sections 50AA and 707(2) of the Corporations Act; and
 - (7) Appian does not have any non-public information, or information which is not generally available, concerning Peak or Peak's securities that is material or price-sensitive or could reasonably be expected to have a material impact on the price or value of Peak's securities, and the sale of the Sale Shares under this letter agreement will not constitute a violation by Appian of applicable law prohibiting "insider dealing" or "insider trading" in securities (including, without limitation, section 1043A of the Corporations Act).
- (c) The parties acknowledge that Shenghe has entered into this letter agreement in reliance on the warranties given in clause 3(b).
- (d) This agreement states all the express terms of the agreement between the parties in respect of its subject matter. It supersedes all prior discussions, negotiations, understandings and agreements in respect of its subject matter.
- (e) Any action to be taken by Appian or Shenghe in performing its obligations under this agreement must be taken at its own cost and expense unless otherwise provided in this agreement.
- (f) This agreement is governed by the laws of Western Australia. Each party submits to the non-exclusive jurisdiction of courts exercising jurisdiction in Western Australia.

EXECUTED AS AN AGREEMENT

APPIAN

EXECUTED BY
APPIAN PINNACLE HOLDCO LIMITED (a company incorporated under the laws of Jersey)
Company No. 116664) in accordance with its constitution and the laws of its place of
incorporation:

sign here ►



Director

print name

Mark Collins

SHENGHE

EXECUTED BY
SHENGHE RESOURCES (SINGAPORE) PTE. LTD. (a company incorporated under the
laws of Singapore) Company No. 201711406G) in accordance with its constitution and the
laws of its place of incorporation:

sign here ►



Director

print name

WANG QUANGEN

Schedule 1

Share Transfer Form

Schedule 2

Appian Account

- [Faint text]
- [Faint text]
- [Faint text]

- [Faint text]
- [Faint text]
- [Faint text]

Standard Transfer Form – For Non-Market Transactions

Note: Any alterations must be initialled by the seller/s and buyer/s.
Any increase to the quantity of securities being transferred is not accepted even if initialled.
Correction fluid or tape must not be used.

ASX Code : PEK

Admin Fee :

Full name of Company or Corporation	PEAK RARE EARTHS LIMITED ORDINARY FULLY PAID SHARES		
Description of Securities	Class (e.g Ordinary Fully Paid Shares, Options etc).	If not paid in full, paid to	Register
	ORDINARY FULLY PAID SHARES		
Quantity	Words THIRTY-NINE MILLION SIX HUNDRED AND FORTY-FOUR THOUSAND SIX HUNDRED AND TWENTY	Figures	39644620
Full name(s) of Transferor (Seller)	APPIAN PINNACLE HOLDCO LIMITED		
PID	Transferor		
Full address of Transferor (Sellers)	47 ESPLANADE ST HELIER JE1 0BD JERSEY		
Consideration	A\$39,248,173.80 (USD28,160,564.70)		As At 11 / 02 / 2022
Full name(s) of Transferee (Buyers)	SHENGHE RESOURCES (SINGAPORE) PTE. LTD.		
PID	Transferee		
Full address of Transferee (Buyers)	60 PAYA LEBAR ROAD #08-05 PAYA LEBAR SQUARE SINGAPORE (409051)		
Register Request	Please enter the above securities on the Register.		

I/We the registered holder(s) and undersigned seller(s) for the above consideration do hereby transfer to the above name(s) hereinafter called the Buyer(s) the securities as specified above standing in my/our name(s) in the books of the abovenamed Company, and subject to the terms of sale and purchase letter agreement between the buyer and the seller, I/we the buyer(s) do hereby agree to accept the said securities.

I/We have not received any notice of revocation of the Power of Attorney by death of the grantor or otherwise, under which this transfer is signed (if applicable). To sign as a power of attorney you must enclose a certified copy with this transfer.

Companies must have 2 signatures and each signatory must state their position, except in the case of a Sole Directorship and company secretary.

Transferor (Sellers) sign here			
Full Name or Title of Authorised Signatory (Seller)	APPIAN PINNACLE HOLDCO LIMITED		
Date Signed	/ /		
Transferee (Buyers) sign here			
Full Name or Title of Authorised Signatory (Buyer)	QUANGEN WANG as an authorised signatory of SHENGHE RESOURCES (SINGAPORE) PTE. LTD.	SHASHA LU as an authorised signatory of SHENGHE RESOURCES (SINGAPORE) PTE. LTD.	
Date Signed	/ /		