

ASX Release
10 January 2024

Cummins Range joins forces with Newhaul for product haulage

Term sheet provides a path to definitive costs, a haulage contract and a haulage JV company

Highlights

- **Binding Term Sheet executed with Newhaul Pty Ltd** for the formation of a joint venture company (JV Co) to provide haulage services to the Cummins Range Project.
- **Term Sheet provides a commitment to negotiate a long-form haulage contract**, to be entered into between Cummins Range Pty Ltd and the JV Co.
- **Term Sheet and appended Haulage Joint Venture Agreement** allows for RareX to elect to become a JV partner once 500ktpa of product has been hauled under the haulage agreement.

Engage with this announcement at the RareX [investor hub](#).

RareX Limited (ASX: REE – **RareX or the Company**) is pleased to advise that its 100%-owned subsidiary, Cummins Range Pty Ltd (**Cummins Range Company**) has partnered with Newhaul Pty Ltd (**Newhaul**) for the purposes of providing product haulage and logistical support for the 100%-owned Cummins Range rare earth and phosphate project in the Kimberley (**the Project**).

RareX CEO, James Durrant, said: *“We’re very pleased to have partnered with Newhaul in this way. Newhaul has a proven operational track record and their commitment to indigenous employment and sensitive, efficient and data-driven operations is impressive and strongly aligned to the values of the team at RareX. We thank Craig Mitchell for working with us to achieve this milestone and look forward to a strong relationship extending well into the future.”*

Newhaul is a logistics specialist with extensive experience in providing haulage capability for resource projects. They bring exceptional indigenous engagement, operational discipline, and data-driven haulage management experience to the project. Additionally, they have a clear roadmap for the decarbonisation of their haulage fleet.

The term sheet lays out the binding obligations to define forecast operational costs in support of the Project’s Definitive Feasibility Studies and to reach a binding haulage contract before the end of FY24.

Additionally, the terms bind Newhaul to immediately establish a special purpose vehicle (**JV Co**) to provide haulage services to the Project and to provide an option for Cummins Range Company to enter into the JV by acquiring 50% of the shares in JV Co for \$1 plus the value of the tangible assets of the JV Co minus the liabilities (**Option**).

The Option is exercisable subject to Cummins Range Company having entered into a haulage agreement with JV Co and at least 500,000 tonnes of product from the Project having been hauled by JV Co under the haulage agreement in any consecutive 12-month period. The Option expires in 2030.

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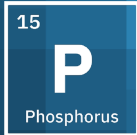
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The joint venture agreement outlines the corporate governance and operational management details of the joint venture, once entered into by Cummins Range Company.

The strategic partnership between Newhaul and Cummins Range Company complements the strategic land option for product storage facilities at Wyndham Port¹, and the infrastructure sharing agreement for the bulk minerals loading facility (**BLF**) owned by Kimberley Metals Group².

RareX already has an off-take MOU for the initial overburden rock phosphate product³ which is being converted into a binding contract. The off-take process for the main dual-mineral concentrate is underway.

With approvals being submitted in 2024 for the overburden project only, mining of the rock phosphate is scheduled to commence in late 2025 before the construction of a beneficiation plant to produce magnet grade rare earths (in monazite) and battery grade phosphates (in apatite) in 2028⁴.

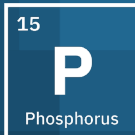
This announcement has been authorised for release by the Board of RareX Limited.

¹ ASX Announcement 27 November 2023: Land secured at Wyndham Port for product storage and transfer

² ASX Announcement 08 November 2023: Infrastructure sharing for bulk loading facility at Wyndham

³ ASX Announcement 09 November 2023 RareX signs offtake MOU with Nitron for Stages 1-2 products

⁴ ASX Announcement 22 August 2023: Enhanced Scoping Study for Cummins Range



About RareX Limited – ASX: REE

RareX Limited (ASX: REE), a Perth based project development and exploration Company, was founded on the fundamental belief of the electronics revolution and the electric vehicle mega-trend. Our focus is rare earths and associated battery and electronic metals.

Cummins Range, in the East Kimberley region of Western Australia, is our flagship project which aims to produce a sustainable, ethical, transparent and secure low carbon rare earth and phosphate supply chain solution for its products which satisfy the two global mega-trends of population growth and electrification.

RareX maintains exploration upside programs in the immediate vicinity of the Cummins Range Project and also more broadly to identify targets and progress projects complementary to the founding beliefs and expertise of the core team.

Rare earths and in particular, NdPr, are core enablers of decarbonisation and electrification of our society. NdPr supports high strength magnets which enables low carbon technologies, especially in the electric mobility sector, robotics solutions and renewable energy, particularly the wind energy sector.

Phosphate is the feedstock for the emerging dominant battery technology; lithium-ferro-phosphate (LFP). The global LFP battery market is projected to grow from \$10 billion in 2021 to \$50 billion by 2028 as more EVs adopt the safer and longer life technology and grid stabilization batteries expand to balance intermittent renewable generation.

RareX maintains material investments in Kincora Copper (ASX:KCC), Cosmos Exploration (ASX:C1X) and Canada Rare Earth Corporation (LL.V).

For further information on the Company and its projects visit www.rarex.com.au

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