Update Summary

Entity name

BRAZILIAN RARE EARTHS LIMITED

Announcement Type

Update to previous announcement

Date of this announcement

22/2/2024

Reason for update to a previous announcement

The conditions to be satisfied before the issue can proceed have been amended. As described in the ASX announcement dated 22 February 2024 the shares are to be issued within five business days of BRE receiving from ANM all relevant information required to enable BRE to complete due diligence related to exploration licences 870.002-2013 and 870.930-2013.

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

BRAZILIAN RARE EARTHS LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.
If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type	**Registration Number**
ABN	88649154870

1.3 ASX issuer code

BRE

1.4 The announcement is
Update/amendment to previous announcement

1.4a Reason for update to a previous announcement

The conditions to be satisfied before the issue can proceed have been amended. As described in the ASX announcement dated 22 February 2024 the shares are to be issued within five business days of BRE receiving from ANM all relevant information required to enable BRE to complete due diligence related to exploration licences 870.002-2013 and 870.930-2013.

1.4b Date of previous announcement to this update

22/1/2024

1.5 Date of this announcement

22/2/2024

1.6 The Proposed issue is:
A placement or other type of issue

Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?
Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
Other (please specify in comment section)	15/3/2024	Estimated	

Comments

The issue of the securities is conditional on BRE receiving from the ANM all relevant information required to enable BRE to complete due diligence related to exploration licences 870.002/2013 and 870.930/2013 as described in the ASX announcement dated 22 February 2024.

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
Existing class

Will the proposed issue of this +security include an offer of attaching +securities?
No

Details of +securities proposed to be issued

ASX +security code and description

BRE : ORDINARY FULLY PAID

Number of +securities proposed to be issued

8,000,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?
No

Please describe the consideration being provided for the +securities

The securities are to be issued as partial consideration for the acquisition of a 100% interest in the eleven exploration licences comprising the Sulista Rare Earth Project.

Refer to the ASX announcement dated 22 January 2024 for further information.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

1.640000

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes

Part 7C - Timetable

7C.1 Proposed +issue date

30/1/2024

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

8000000

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

No

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

Yes

7D.4a Please enter the number and +class of the +securities subject to +voluntary escrow and the date from which they will cease to be subject to +voluntary escrow

(a) 4,000,000 fully paid ordinary shares (ORD) subject to voluntary escrow for a period of two years from the date of issue (Tranche A Shares).

(b) 4,000,000 fully paid ordinary shares (ORD) subject to voluntary escrow until the later of two years from the date of issue or the date on which the final exploration report for each of areas 870930/2011 and 870008/2015 is approved by the Agencia Nacional de Mineração (ANM) (Tranche B Shares).

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

No

7E.2 Is the proposed issue to be underwritten?
No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Nil

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

The securities are being issued as partial consideration for the acquisition of a 100% interest in eleven exploration licences comprising the Sulista Rare Earth Project. Refer ASX announcement dated 22 January 2024 for further information.

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?
No

7F.2 Any other information the entity wishes to provide about the proposed issue

Nil

7F.3 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:
The publication of a cleansing notice under section 708A(5), 708AA(2)(f), 1012DA(5) or 1012DAA(2)(f)