



ASX Announcement 16 September 2025

Scheme Meeting – Chairperson’s address and presentation

Peak Rare Earths Limited (ASX: **PEK**) (“**Peak**” or the “**Company**”) provides the following update in relation to the proposed acquisition by Shenghe Resources (Singapore) Pte. Ltd. of all the shares in Peak that Shenghe does not hold, by way of a scheme of arrangement (“**Scheme**”).

In accordance with ASX Listing Rule 3.13.3, attached to this announcement are copies of the Chairman’s address in relation to and presentation to Peak shareholders for the Scheme meeting, which will be held at 10:30am (Sydney time) today, on Tuesday, 16 September 2025 (**Scheme Meeting**).

Peak shareholders (other than Shenghe) or their appointed proxies, attorneys or corporate representatives may attend, participate and vote at the Scheme Meeting in person at the Henry Lawson Room, Sydney Harbour Marriott Hotel, 30 Pitt Street Sydney, New South Wales, Australia.

The voting results from the Scheme Meeting will be announced to the ASX shortly after the conclusion of the meeting.

This announcement is authorised for release by the Company’s Chief Executive Officer and Company Secretary.

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Peak Rare Earths Limited
Tuesday, 16 September 2025
Chairman's script

Introductory Remarks

Welcome

Good morning, ladies and gentlemen. I am Russell Scrimshaw, the Executive Chairman of Peak Rare Earths Limited.

I would like to welcome you to today's scheme meeting and thank you for your attendance. I would also like to acknowledge my fellow board members, the management, staff, and shareholders for their commitment to the company over the past few years.

In the event of an emergency please take direction from the Marriott staff.

I would be grateful if you could all please check that your mobile phone is switched off and note that the taking or recording of photographs, video or audio of the meeting or its proceedings (by whatever means) is not permitted without my consent as Meeting Chair.

For ease of reference and brevity, the use of any defined terms at today's meeting, including in the presentation slides, are, unless the context otherwise requires, references to the corresponding term as defined in the Scheme Booklet.

Today shareholders will be asked to vote on the proposed scheme of arrangement in relation to the proposed acquisition of Peak.

Company representatives

In addition to myself, the following representatives from Peak are in attendance at today's meetings and join me up the front:

- Ms Hannah Badenach, Non-Executive Director;
- Mr Bardin Davis, CEO;
- Mr Phil Rundell, CFO and Company Secretary; and
- Mr Justin Grincer, Deputy CFO.

Three of Peak's Non-Executive Directors being the Hon. Mr Abdullah Mwinyi, Dr Shasha Lu and Nick Bowen are currently overseas and unable to join us today and have given their apologies.

Overview of the Scheme

Before we formally commence the meeting, I'd like to briefly provide some background to the Scheme.

As you will be aware, Peak has been focused on delivering an integrated funding solution for the Ngualla rare earths project in Tanzania for some time.

Following a comprehensive evaluation of strategic and funding options, Peak explored a potential joint-venture transaction with Shenghe Resources. Shenghe Resources is a major rare earths company listed on the Shanghai Stock Exchange and has been a long-standing supporter of Peak and the Ngualla Rare Earth Project.

Under the potential transaction, it was proposed that Shenghe would invest approximately A\$96 million in new funding to subscribe for 50% of the shares on issue in Peak's wholly owned subsidiary, Ngualla Group UK Limited, being the entity which holds Peak's 84% interest in the Ngualla Project. It was also contemplated that the remaining development costs for the Ngualla Project being funded through a Shenghe Resources-arranged debt facility. The proposed transaction implied a valuation of approximately A\$96 million for Peak's interest in the Ngualla Project.

I will refer to this as the NGUK Transaction.

Despite making progress towards finalising the binding terms of the NGUK Transaction, recent geopolitical and regulatory developments increased the risks of being able to successfully establish a joint venture between Peak and Shenghe Resources. Consequently, Peak and Shenghe Resources explored alternate transaction structures that could support greater transaction and project certainty, and a superior outcome for both companies and their shareholders.

After careful consideration, on 14 May 2025, Peak entered into a Scheme Implementation Deed in relation to the proposed acquisition of 100% of the Peak Shares by Ganzhou Chenguang Rare Earths New Material Co., Ltd., which is a wholly owned subsidiary of Shenghe Resources, by way of a scheme of arrangement. Peak subsequently agreed to the novation of the Scheme Implementation Deed to Shenghe Resources (Singapore) Pte. Ltd. in place of Chenguang. Shenghe Singapore is an existing 19.70% shareholder in Peak and is also a wholly-owned subsidiary of Shenghe Resources.

As announced to the ASX on 5 September 2025, Peak and Shenghe have entered into an amendment deed to vary the original Scheme Implementation Deed and the original Scheme to increase the Scheme consideration.

The Scheme now values 100% of Peak at \$195,000,000 and based on Peak's existing fully diluted issued capital of 440,111,880, Scheme Shareholders will receive a cash amount of \$0.443 per Peak Share if the Scheme is implemented, assuming no existing Peak performance rights lapse prior to the Scheme becoming effective.

Based on the cash consideration of no less than \$0.443 per Peak Share, the Scheme Consideration represents approximately:

- a 23% increase in the minimum cash consideration payable under the original Scheme proposal of \$0.359;
- a 32% premium to the closing price of Peak shares on the ASX on 4 September 2025 (being the last day on which Peak shares traded before announcement of the increased Scheme Consideration) of \$0.335 per share; and
- a 269% premium to Peak's last closing share price on the ASX prior to the announcement of the Scheme of \$0.12 per share on 9 May 2025.

Shenghe has confirmed that the consideration proposed to be paid under the Scheme is now its best and final proposal and that Shenghe will not increase the consideration further, subject to no competing proposal for Peak emerging.

On 14 September 2025, Peak received an unsolicited, non-binding, conditional Letter of Intent from GICP, an alternative asset manager based in the United States, regarding the proposed acquisition of all of the issued and outstanding shares of Peak for A\$240 million, which represents a price not less than \$0.545 per Peak share.

The Peak Independent Board Committee has carefully assessed the Letter of Intent, including with the assistance of its financial and legal advisers, as required by the terms of the Scheme Implementation Deed. Based on the information contained in the Letter of Intent, the Peak Independent Board Committee has concluded that the terms offered by GICP do not constitute a superior proposal to the Scheme and do not satisfy the "fiduciary out" obligations that would permit discussions with GICP. Reasons for this conclusion include:

- in Peak's view, GICP has not provided sufficient quantitative and qualitative information to support its proposal, including how it intends to complete due diligence in the proposed timeframe, gain the necessary support of the Tanzanian government and subsequently execute the transaction;
- Shenghe has indicated that it is not willing to accept or support the proposal outlined in the Letter of Intent, such that the transaction is unlikely to be able to be completed in its current form (noting that Shenghe has voting power to ~19.7% of Peak's ordinary issued share capital);
- GICP has provided no indication of the form of the transaction (whether a scheme or a takeover) or any of the substantive terms of a definitive agreement;
- the Letter of Intent is incomplete, non-binding and indicative in nature and represents a highly conditional proposal;
- the significant time risk associated with any engagement with GICP given that due diligence will likely extend beyond the proposed 3 weeks.

This contrasts with the Scheme which is expected to become effective later this month (subject to the receipt of Tanzanian Fair Competition Commission approval);

- GICP has provided no indication whether it has received any advice from or retained any legal or financial advisers (including in Australia and Tanzania); and
- GICP has not provided any substantive evidence of its ability to fund the transaction or provided information to support its ability to develop the Ngualla Rare Earth Project (which is likely to be a relevant consideration for the relevant Tanzanian regulatory authorities).

Accordingly, Peak will not be further engaging with GICP in respect of the Letter of Intent. GICP stated that the Letter of Intent would remain in effect until 5pm Eastern Standard Time on Monday, 15 September 2025 (7am (Sydney time) on Tuesday, 16 September 2025) unless accepted or rejected by Peak, or withdrawn by GICP, prior to that time. Peak responded to GICP prior to 7 am (Sydney time) to confirm that Peak was not able to engage further in relation to GICP's proposal.

Independent Board Committee's recommendation and Independent Expert's conclusion

The Peak Independent Board Committee, being the Peak directors excluding Dr Lu, has carefully considered the advantages and disadvantages of the Scheme and unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Peak Shareholders not associated with Shenghe.

Peak commissioned RSM Corporate Australia Pty Ltd to act as the independent expert in connection with the Scheme.

The Independent Expert has concluded that the Scheme is fair and reasonable and therefore in the best interests of Peak Shareholders not associated with Shenghe, in the absence of a Superior Proposal.

This remains the Independent Expert's conclusion today.

I can also confirm that, at present, no Superior Proposal has been received by Peak and the Board is not aware of any Competing Proposal that is likely to emerge.

A copy of the Independent Expert's Report is included in Appendix 1 of the Scheme Booklet. A supplemental letter to the Independent Expert's Report is included in Peak's ASX announcement titled "Confirmation of independent expert's opinion in relation to the Shenghe Scheme" dated 5 September 2025.

Reasons to vote for or against the Scheme

The Peak Independent Board Committee has identified several reasons for why you should support the Scheme and, for balance, factors which may lead you to vote against it. These are all explained in detail in the Scheme Booklet.

Having regard to the Peak Independent Board Committee's responsibility to act in the best interests of all shareholders, the members of the Independent Board Committee believe the advantages of the Scheme outweigh the disadvantages.

In considering the unanimous recommendation of the Peak Independent Board Committee, Peak shareholders should have regard to the interests of the Peak Independent Board Committee members in the outcome of the Scheme vote, which may differ from those of other Peak shareholders. These interests are disclosed in section 10.1 of the Scheme Booklet and in Peak's ASX announcement titled "Confirmation of independent expert's opinion in relation to the Shenghe Scheme" released to the ASX on 5 September 2025 in relation to the increased Scheme consideration.

Status of Conditions

Implementation of the Scheme remains conditional upon (among other things):

- approval by Peak Shareholders not associated with Shenghe of the Scheme Resolution to be considered at this Scheme Meeting;
- receipt of regulatory approvals from the Fair Competition Commission of Tanzania; and
- the Supreme Court of New South Wales approving the Scheme.

There are a number of other customary conditions to the Scheme set out in the Scheme Implementation Deed and the Scheme Booklet. As at the date of this meeting, the other customary conditions have either been satisfied or are expected to be satisfied before the Second Court Hearing.

Procedures

[Proceed to formal business of meeting]

Scheme meeting

Proposed acquisition of Peak
by Shenghe

16 September 2025



ASX: PEK



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Statements as to timetable and outcome of the scheme of arrangement to which this presentation relates (“Scheme”) and statements about the plans and strategies of the Company are forward looking statements, as are statements about market and industry trends, which are based on interpretation of market conditions. Forward looking statements can generally be identified by the use of forward looking words such as “anticipate”, “expect”, “likely”, “propose”, “will”, “intend”, “should”, “could”, “may”, “believe”, “forecast”, “estimate”, “target”, “outlook”, “guidance” and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, the future performance of the Company and the outcome and effects of the Scheme. No representation, warranty, guarantee or assurance, express or implied, is given or made in relation to any forward looking statement. In particular no representation, warranty or assumption, express or implied, is given in relation to any underlying assumption or that any forward looking statement will be achieved. Actual and future events may vary materially from the forward looking statements and the assumptions on which the forward looking statements were based, because events and actual circumstances frequently do not occur as forecast and future results are subject to known and unknown risks such as changes in market conditions and regulations. Given these uncertainties, readers are cautioned not to place undue reliance on such forward looking statements, and should rely on their own independent enquiries, investigations and advice regarding information contained in this presentation. Any reliance by a reader on the information contained in this presentation is wholly at the reader’s own risk.

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A number of figures, amounts, percentages, estimates and calculations of value in this presentation are subject to the effect of rounding. The actual calculation of these figures may differ from the figures set out in this presentation.

This presentation is authorised for release to ASX by the Company’s Executive Chairman and Chief Executive Officer.

Chairperson's Address



Scheme overview

- On 14 May 2025, Peak and Ganzhou Chenguang Rare Earths New Material Co., Ltd. (**Chenguang**) entered into a scheme implementation deed (subsequently novated by Chenguang to Shenghe Resources (Singapore) Pte. Ltd (**Shenghe**) on 24 July 2025) under which Shenghe will acquire 100% of Peak via a scheme of arrangement (**Scheme**)
- On 5 September 2025, Peak announced that Shenghe had increased the consideration payable under the Scheme by ~23%, valuing 100% of Peak at A\$195 million¹
- If the Scheme is approved by Peak shareholders and the court, Shenghe will acquire all the shares in Peak that it does not hold for cash consideration of not less than \$0.443 per Peak share², being a:
 - **~23% increase** in the minimum cash consideration payable under the original Scheme proposal¹
 - **~32% premium** to Peak's closing price of \$0.335 per share on 4 September 2025 (being the last day on which Peak shares traded before announcement of the increased Scheme Consideration)
 - **~269% premium** to Peak's closing price of \$0.12 per share on 9 May 2025 (being the last day on which Peak shares traded before announcement of the original Scheme)

1. The original Scheme proposal valued 100% of Peak at \$157,992,038

2. The final Scheme consideration will be announced on the date the Scheme takes effect because, at that time, the fully diluted issued capital of Peak as at the date for determining the Peak shareholders that are 'Scheme Shareholders' will be known. Whilst Peak has no intention to issue any further securities prior to the date that the Scheme takes effect, the fully diluted issued capital of Peak may decrease if any of the performance rights currently on issue were to lapse prior to the date that the Scheme becomes effective. If any of the Peak performance rights on issue lapse prior to the date the Scheme takes effect, then the Scheme consideration will be higher due to a lesser number of Peak shares being on issue as at that time. If all of the Peak performance rights currently on issue were to lapse, the Scheme consideration would increase to \$0.453 (rounded to three decimal places) per Peak share

Independent Directors' recommendation

The Peak Independent Board Committee recommends that Peak shareholders:

Vote in favour of the Scheme Resolution

in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of Peak shareholders not associated with Shenghe¹

1. Peak Shareholders should have regard to the interests of the Peak Independent Board Committee in the outcome of the Scheme which may differ from those of other Peak Shareholders. Details of these interests are disclosed in section 10.1 of the Scheme Booklet and in Peak's ASX announcement titled "Confirmation of independent expert opinion on Scheme" released to ASX on 5 September 2025 in relation to the increased Scheme consideration.

Reasons to vote in favour of the Scheme

- ✓ The Independent Expert has concluded the Scheme is fair and reasonable and in the best interests of shareholders not associated with Shenghe, in the absence of a superior proposal
- ✓ Significant premium to the pre-announcement trading prices of Peak shares
- ✓ Certainty of 100% cash consideration
- ✓ Scheme is considered superior to other transactions considered with Shenghe
- ✓ No Superior Proposal has emerged
- ✓ Allows you to sell your entire holding of Peak Shares
- ✓ If the Scheme does not proceed, Peak's share price will continue to be subject to market volatility and may fall
- ✓ There are risks to not voting for the Scheme

Reasons to vote against the Scheme



You may disagree with the Peak Independent Board Committee's unanimous recommendation or the Independent Expert's conclusion



You may believe it is in your best interests to maintain your current investment and risk profile



You may prefer to retain your Peak shares and have the opportunity to participate in the future financial performance of Peak as a standalone, ASX-listed company



You may believe a Superior Proposal for Peak may materialise in the future



The potential tax consequences of the Scheme may not suit your current financial position or tax circumstances

Status of key scheme conditions¹



Approval by the Tanzanian Mining Commission



Confirmation from the Tanzanian Mining Commission that the Ngualla Project SML is valid with no outstanding default notices

Pending

Approval by the Tanzania Fair Competition Commission

Pending

Peak shareholder approval

Pending

The Independent Expert does not adversely change or qualify its conclusion or withdraw its report before the second court date

Pending

Requisite Australian court approvals

1. The Scheme also remains subject to other customary conditions, including no restraint of the Scheme by a government agency, the taking of all necessary steps to vest or lapse all Peak performance rights, no prescribed occurrence, no material adverse change and no material breach of warranties prior to the second Court date.

Formal business and Q&A



Scheme Resolution¹

That, pursuant to and in accordance with section 411 of the Corporations Act 2001 (Cth), the scheme of arrangement proposed between Peak Rare Earths Limited and the holders of its fully paid ordinary shares, the terms of which are contained in and more precisely described in the scheme booklet (of which the notice convening this meeting forms a part) is approved (with or without any variations, alterations or conditions as approved by the Supreme Court of New South Wales and agreed to by Peak Rare Earths Limited and Shenghe Resources (Singapore) Pte. Ltd.) and, subject to approval of the scheme by the Supreme Court of New South Wales, the board of directors of Peak Rare Earths Limited is authorised to implement the Scheme with any such variations, alterations or conditions.

1. Peak shareholders should be aware that Peak intends to seek an order of the Court under section 411(6) of the Corporations Act at the Second Court Hearing to alter the Scheme to incorporate the increased Scheme consideration and to update the Scheme to reflect the amending deed and new deed poll entered into to give effect to the increased Scheme consideration.

Proxy results

Valid proxy instructions received by Peak as at proxy close were directed as follows:

Votes			Headcount	
	Votes Cast	Percentage	Number of Shareholders	Percentage
Lodged For	194,950,057	95.45%	412	79.08%
Lodged Open ¹	5,743,036	2.81%	53	10.17%
Lodged Against	3,551,154	1.74%	56	10.75%
Total	204,244,247		521	

1. Open proxies in favour of the Chairperson will be voted in favour of the resolution

Indicative timetable

	Date
Scheme Meeting	10:30am AEST on Tuesday, 16 September 2025
Second Court Date for approval of the Scheme	Thursday, 18 September 2025
Effective Date	Friday, 19 September 2025
Scheme Record Date	7:00pm AEST on Tuesday, 23 September 2025
Implementation Date	Tuesday, 30 September 2025

Thank you

