



ASX Announcement 30 May 2025

Not for release to US wire services or distribution in the United States

Entitlement Offer Opens and Despatch of Documents

Peak Rare Earths Limited (ASX: **PEK**) ("**Peak**" or the "**Company**") refers to the pro-rata non-renounceable entitlement offer announced on 15 May 2025 of 1 new share for every 4.7 fully paid ordinary shares held by eligible shareholders at \$0.10 per share to raise up to ~\$7.5 million (before costs) ("**Entitlement Offer**").

Peak is pleased to advise that the Entitlement Offer opens today, and the Entitlement Offer information booklet has been released to ASX and is also available on the Company's website: <https://peakrareearths.com/announcements/>.

Correspondence to eligible shareholders and ineligible shareholders (as set out in Annexures A and B, respectively, to this announcement) will be despatched today.

The closing date of the Entitlement Offer is 5.00pm (Sydney time) on 23 June 2025 (unless extended or withdrawn).

This announcement is authorised for release by the Company Secretary.

Phil Rundell
Company Secretary

Not an offer in the United States

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.



ASX Announcement 30 May 2025

Annexure A: Letter to Eligible Shareholders

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30 May 2025

Dear Shareholder,

Peak Rare Earths Limited – Pro-rata Non-renounceable Entitlement Offer – Notification to Eligible Shareholders

On behalf of the Directors of Peak Rare Earths Limited (ACN 112 546 700) (ASX:PEK) (**Peak** or the **Company**), I write to you as a registered holder of fully paid ordinary shares (**Shares**) in the capital of Peak as at 7.00pm (Sydney time) on 21 May 2025 (**Record Date**).

On 15 May 2025, the Company announced it was conducting a non-underwritten pro-rata non-renounceable entitlement offer of 1 new Share in the Company (**New Share**) for every 4.7 Shares held at the Record Date by eligible shareholders, to raise up to ~\$7.5 million (before costs) (**Entitlement Offer**).

The Entitlement Offer will be conducted at a fixed price of \$0.10 per New Share (**Offer Price**).

Rationale and use of funds

The Entitlement Offer is being conducted to seek to ensure that the Company is sufficiently funded whilst it pursues implementation of the proposed acquisition by Ganzhou Chenguang Rare Earths New Material Co., Ltd. (**Chenguang**) of 100% of the Shares in Peak by way of a Court-approved scheme of arrangement (**Scheme**). Chenguang is a wholly-owned subsidiary of Shenghe Resources Holding Co., Ltd, the parent company of Peak's 19.86% shareholder Shenghe Resources (Singapore) Pte. Ltd.

The Entitlement Offer is being made to Eligible Shareholders only. **Eligible Shareholders** are those persons who:

- are registered as a holder of Shares at the Record Date;
- have a registered address in Australia, the European Union (Germany, Italy, Luxembourg, the Netherlands and Portugal), Hong Kong, New Zealand, Singapore, Switzerland or the United Kingdom as noted on the Peak Share register or are persons that Peak has otherwise determined in its discretion are Eligible Shareholders;
- are not located in the United States and are not acting for the account or benefit of a person in the United States (to the extent that such shareholders hold Shares for the account or benefit of a person in the United States); and
- are eligible under all applicable securities laws to receive an offer of New Shares under the Entitlement Offer.

This letter is to inform you about the Entitlement Offer and to explain that, as an Eligible Shareholder, you are entitled to subscribe for 1 New Share at the Offer Price for every 4.7 Shares held on the Record Date (**Entitlement**).

As noted above, the Entitlement Offer is being conducted to seek to ensure that the Company is sufficiently funded whilst it pursues implementation of the Scheme. The Scheme is recommended by the Peak Independent Board¹ in the absence of a superior proposal and subject to an independent expert concluding (and continuing to conclude) that the Scheme is in the best interests of Peak shareholders.

¹ Being all Peak directors excluding Non-Executive Director Shasha Lu (Managing Director of Shenghe Resources Overseas Development) and any other Peak director appointed by or on behalf of a Chenguang group member or any of its associates. Ms Shasha Lu has excluded herself from discussions about the Scheme, and abstains from making a recommendation in relation to the Scheme.

Whilst New Shares issued pursuant to the Entitlement Offer are proposed to be acquired by Chenguang pursuant to the Scheme, Peak shareholders who are eligible to participate in the Entitlement Offer should be aware that completion of the Entitlement Offer is not conditional upon whether or not the Scheme successfully completes. The failure to successfully implement the Scheme may have a material adverse effect on the market price of Shares and there is a risk that the price of Shares may fall below the Offer Price.

In addition to the Scheme and Entitlement Offer, Peak is also continuing to progress negotiations with respect to a sale of its non-core 49-acre Teesside site in the United Kingdom in order to supplement existing cash and funds raised under the Entitlement Offer. Proceeds from the Entitlement Offer, together with existing cash and the expected proceeds from the proposed sale of Teesside, will be used to progress land compensation and other costs at Peak's 84% owned Ngualla Project, in addition to supporting working capital requirements and transaction costs associated with the Scheme.

Further details regarding the Scheme and Entitlement Offer are set out in the Entitlement Offer information booklet (**Offer Booklet**) lodged on the Australian Securities Exchange (**ASX**) on 30 May 2025. The Offer Booklet contains important information, including key risks in relation to the Scheme and Entitlement Offer, and foreign offer restrictions in respect of the Entitlement Offer.

Shareholders do not need to take any action in relation to the Scheme at this stage. A scheme booklet, which will contain important information in relation to the Scheme and the Scheme meeting, including the reasons for the unanimous recommendation of the Peak Independent Board, and the independent expert's report, is expected to be sent to Shareholders in August 2025. Shareholders should wait to review the scheme booklet prior to making any decisions with respect to the Scheme itself.

Entitlements under the Entitlement Offer are non-renounceable and cannot be traded, nor can they be sold, transferred, or otherwise disposed of. Eligible Shareholders who do not take up their Entitlements will not receive any value for those Entitlements they do not take up.

The Entitlement Offer includes a top-up facility (**Top-Up Facility**) under which Eligible Shareholders (other than Company directors (**Directors**) and any other person to whom ASX Listing Rule 10.11 applies) who take up their Entitlement in full may also apply for additional New Shares (**Additional New Shares**) in excess of their Entitlement. Any New Shares not applied for by Eligible Shareholders under their Entitlement will be included in the Top-Up Facility. Subject to the terms set out in the Offer Booklet, there is no cap on the amount of Additional New Shares that can be applied for under the Top-Up Facility. However, there is no guarantee that a Shareholder who applies for Additional New Shares under the Top-Up Facility will receive all or any of the Additional New Shares that they applied for. The Directors reserve the right, subject to the requirements of the ASX Listing Rules and the Corporations Act, to place any New Shares remaining after the application of the Top-Up Facility at their discretion within three months after the closing date of the Entitlement Offer (**Shortfall Facility**).

The Entitlement Offer opens on Friday, 30 May 2025 and closes at 5.00pm (Sydney time) on Monday, 23 June 2025 (unless extended or withdrawn).

The Entitlement Offer is being made pursuant to provisions of the *Corporations Act 2001* (Cth) (as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* and *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73*) (**Corporations Act**) which allow entitlement offers to be conducted without a prospectus, provided that certain conditions are satisfied.

This letter is not an offer document but rather a notice of some key terms and conditions of the Entitlement Offer. Further details about the Entitlement Offer are set out in the Offer Booklet, which the Company lodged with the ASX today.

You should read the Offer Booklet in full before making any application for New Shares.

How to access the Entitlement Offer and Offer Booklet

You can access a copy of the Offer Booklet and personalised Entitlement and Acceptance Form and apply for New Shares under the Entitlement Offer in the following ways:

1. **ONLINE** – The Offer Booklet and personalised Entitlement and Acceptance Form can be accessed via: <https://events.miraqle.com/pek-offer>
2. **PAPER** – Request a paper copy of the Offer Booklet and your personalised Entitlement and Acceptance Form by contacting the Company's Share Registry, MUFG Corporate Markets, on the Peak Offer Information Line on 1300 131 678 (within Australia) or +61 1300 131 678 (outside Australia) at any time from 8.30am to 5.30pm (Sydney time) Monday to Friday during the Entitlement Offer period.

Key dates for the Entitlement Offer

Event	Date
Announcement of the Entitlement Offer	15 May 2025
"Ex" date	20 May 2025
Record Date for the Entitlement Offer	21 May 2025 7.00pm (Sydney time)
Issue of Offer Booklet and Entitlement Offer opens	30 May 2025 (Sydney time)
Entitlement Offer closes (Closing Date)	23 June 2025 5.00pm (Sydney time)
Results of Entitlement Offer announced	30 June 2025
Allotment and issue of New Shares (including Additional New Shares under the Top-Up Facility)	30 June 2025
Normal ASX trading of New Shares (including Additional New Shares under the Top-Up Facility) expected to commence	1 July 2025
Despatch of holding statements for New Shares (including Additional New Shares under the Top-Up Facility)	2 July 2025
Last date for issuing any Shares under the Shortfall Facility (unless Closing Date extended) ²	29 September 2025

The timetable above (and each reference to it or dates in it in this letter) is indicative only and subject to change without notice. Peak reserves the right to amend any or all of these dates and times without prior notice, subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, Peak reserves the right to extend the Closing Date, to accept late applications under the Entitlement Offer (either generally or in particular cases) and to withdraw the Entitlement Offer without prior notice. Any extension of the Closing Date will have a consequential effect on the allotment date of New Shares. The commencement of quotation of Shares is subject to confirmation from ASX.

² The last date for issuing Shortfall Facility Shares will be the date falling three months after the Closing Date.

Peak also reserves the right not to proceed with the Entitlement Offer in whole or in part at any time prior to allotment and issue of the New Shares under the Entitlement Offer. In that event, the relevant application monies (without interest) will be returned in full to the applicant. See the Offer Booklet for further information.

Further information

If you have any questions in respect of the Entitlement Offer, please call the Peak Offer Information Line on 1300 131 678 (within Australia) or +61 1300 131 678 (outside Australia) at any time from 8.30am to 5.30pm (Sydney time) Monday to Friday during the Entitlement Offer period, or by email at capital.markets.au@cm.apac.mpms.mufg.com, or consult your broker, solicitor, accountant, tax adviser, financial adviser or other professional adviser.

For further information regarding Peak, please visit www.peakrareearths.com.

On behalf of the Board, I invite you to consider this investment opportunity and thank you for your continued support.

Yours sincerely,



Russell Scrimshaw
Executive Chairman
Peak Rare Earths Limited

IMPORTANT NOTICE AND DISCLAIMER

The Entitlement Offer is being made by the Company in accordance with section 708AA of the Corporations Act as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* and *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73*, meaning that no prospectus or other disclosure document needs to be prepared.

Determination of eligibility of investors for the purposes of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of the Company. Each of the Company and its respective related bodies corporate (as defined in the Corporations Act) and affiliates and each of their respective directors, officers, employees, partners, consultants, contractors, agents and advisers disclaim any duty or liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law.

This letter is issued by the Company to inform you about the Entitlement Offer. This letter is not a prospectus or offering document under Australian law or under any other law. This letter is for information purposes only and does not constitute or form part of an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any New Shares in the Company.

The provision of this letter is not, and should not be considered as, financial product advice. The information in this letter is general information only and does not take into account your individual objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your broker, solicitor, accountant, tax adviser, financial adviser or other professional adviser.

NOT AN OFFER IN THE UNITED STATES

This letter does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or any other jurisdiction. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 (the "Securities Act") or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold in the United States, except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable US state securities laws.



ASX Announcement 30 May 2025

Annexure B: Letter to Ineligible Shareholders

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30 May 2025

Dear Shareholder,

Peak Rare Earths Limited – Pro-rata Non-renounceable Entitlement Offer – Notification to Ineligible Shareholders

On behalf of the Directors of Peak Rare Earths Limited (ACN 112 546 700) (ASX:PEK) (**Peak** or the **Company**), I write to you as a registered holder of fully paid ordinary shares (**Shares**) in the capital of Peak as at 7.00pm (Sydney time) on 21 May 2025 (**Record Date**).

On 15 May 2025, the Company announced it was conducting a non-underwritten pro-rata non-renounceable entitlement offer of 1 new Share in the Company (**New Share**) for every 4.7 Shares held at the Record Date by eligible shareholders, to raise up to ~\$7.5 million (before costs) (**Entitlement Offer**).

The Entitlement Offer will be conducted at a fixed price of \$0.10 per New Share (**Offer Price**).

Rationale and use of funds

The Entitlement Offer is being conducted to seek to ensure that the Company is sufficiently funded whilst it pursues implementation of the proposed acquisition by Ganzhou Chenguang Rare Earths New Material Co., Ltd. (**Chenguang**) of 100% of the Shares in Peak by way of a Court-approved scheme of arrangement (**Scheme**). Chenguang is a wholly-owned subsidiary of Shenghe Resources Holding Co., Ltd, the parent company of Peak's 19.86% shareholder Shenghe Resources (Singapore) Pte. Ltd.

The Scheme is recommended by the Peak Independent Board¹ in the absence of a superior proposal and subject to an independent expert concluding (and continuing to conclude) that the Scheme is in the best interests of Peak shareholders.

Details of the Entitlement Offer

The Entitlement Offer is being made pursuant to provisions of the *Corporations Act 2001* (Cth) (as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* and *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73*) (**Corporations Act**) which allow entitlement offers to be conducted without a prospectus, provided that certain conditions are satisfied.

The Entitlement Offer includes a top-up facility under which eligible shareholders (other than Company directors and any other person to whom ASX Listing Rule 10.11 applies) who take up their entitlement in full may also apply for additional New Shares in excess of their entitlement. Any New Shares not applied for by eligible shareholders under their entitlement will be included in the top-up facility.

Whilst New Shares issued pursuant to the Entitlement Offer are proposed to be acquired by Chenguang pursuant to the Scheme, it is important to note that completion of the Entitlement Offer is not conditional upon whether or not the Scheme successfully completes. The failure to successfully implement the Scheme may have a material adverse effect on the market price of Shares and there is a risk that the price of Shares may fall below the Offer Price.

¹ Being all Peak directors excluding Non-Executive Director Shasha Lu (Managing Director of Shenghe Resources Overseas Development) and any other Peak director appointed by or on behalf of a Chenguang group member or any of its associates. Ms Shasha Lu has excluded herself from discussions about the Scheme, and abstains from making a recommendation in relation to the Scheme.

In addition to the Scheme and Entitlement Offer, Peak is also continuing to progress negotiations with respect to a sale of its non-core 49-acre Teesside site in the United Kingdom in order to supplement existing cash and funds raised under the Entitlement Offer. Proceeds from the Entitlement Offer, together with existing cash and the expected proceeds from the proposed sale of Teesside, will be used to progress land compensation and other costs at Peak's 84% owned Ngualla Project, in addition to supporting working capital requirements and transaction costs associated with the Scheme.

Further details regarding the Scheme and Entitlement Offer, including key risks, are set out in the Entitlement Offer information booklet (**Offer Booklet**) lodged on the Australian Securities Exchange (**ASX**) on 30 May 2025. Shareholders do not need to take any action in relation to the Scheme at this stage. A scheme booklet, which will contain important information in relation to the Scheme and the Scheme meeting, including the reasons for the unanimous recommendation of the Peak Independent Board, and the independent expert's report, is expected to be sent to Shareholders in August 2025. Shareholders should wait to review the scheme booklet prior to making any decisions with respect to the Scheme itself.

This letter is to inform you that, under the terms of the offer, you are not eligible to participate in the Entitlement Offer and, as such, will not be offered nor be able to subscribe for any New Shares or entitlements under the Entitlement Offer.

You are not required to do anything in response to this letter, but there may be financial implications for you as a result of the Entitlement Offer that you should be aware of.

Eligibility criteria

As outlined in the Offer Booklet, **Eligible Shareholders** are those persons who:

- are registered as a holder of Shares at the Record Date;
- have a registered address in Australia, the European Union (Germany, Italy, Luxembourg, the Netherlands and Portugal), Hong Kong, New Zealand, Singapore, Switzerland or the United Kingdom as noted on the Peak Share register or are persons that Peak has otherwise determined in its discretion are Eligible Shareholders;
- are not located in the United States and are not acting for the account or benefit of a person in the United States (to the extent that such shareholders hold Shares for the account or benefit of a person in the United States); and
- are eligible under all applicable securities laws to receive an offer of New Shares under the Entitlement Offer.

Unfortunately, according to our records, you do not satisfy the criteria for an Eligible Shareholder and are therefore an **Ineligible Shareholder**. In compliance with ASX Listing Rule 7.7.1(b) and section 9A(3) of the Corporations Act, this notice is to inform you that you are not entitled to participate in the Entitlement Offer and as such, you will not be offered any New Shares or entitlements under the Entitlement Offer. You will also not be sent a copy of the Offer Booklet.

The restrictions upon eligibility are due to a number of factors. Peak has determined that, pursuant to ASX Listing Rule 7.7.1(a) and section 9A(3)(a) of the Corporations Act, it would be unreasonable to make offers to shareholders in any country outside of Australia, the European Union (Germany, Italy, Luxembourg, the Netherlands and Portugal), Hong Kong, New Zealand, Singapore, Switzerland or the United Kingdom, having regard to:

- the relatively small number of shareholders in the other jurisdictions where the Entitlement Offer would otherwise be made;
- the number and value of Shares for which such shareholders would otherwise have been entitled; and

- the costs of complying with the legal and regulatory requirements in each other jurisdiction where the Entitlement Offer would otherwise be made.

Peak and each of its respective affiliates and related bodies corporate and each of their respective directors, officers, partners, employees, advisers and agents disclaim any liability in respect of any determination as to eligibility, to the maximum extent permitted by law.

Non-renounceable offer

The Entitlement Offer is non-renounceable. Entitlements in respect of New Shares to which you would have been entitled if you were an Eligible Shareholder will lapse. No amount will be payable by you and, subject to the comments in the paragraph below regarding the sale nominee, you will not otherwise receive any payment or value for entitlements in respect of any New Shares that would have been offered to you if you were an Eligible Shareholder.

Nominee

The Company has appointed Taylor Collison Limited (**Nominee**) to act as a nominee for the purposes of section 615 of the Corporations Act. ASIC has approved the appointment of the Nominee. The Nominee will arrange for the sale of New Shares which would otherwise have been offered to Ineligible Shareholders had they been eligible to participate in the Entitlement Offer (**Sale Shares**).

The Nominee will be required to direct the net proceeds (after deduction of the fee payable by the Company to the Nominee for it acting as Nominee, and the costs of sale including brokerage, (**Selling Fees**)), if any, to the Company's share registry to facilitate pro rata payments of any net proceeds (after deduction of the Offer Price) to Ineligible Shareholders. The Nominee will have the absolute and sole discretion to determine the timing and price at which the Sale Shares may be sold and the manner of any such sale (subject to applicable laws).

The Sale Shares will be issued at the same time as the issue of New Shares under the Entitlement Offer.

The proceeds of sale (if any) will be paid in Australian dollars to the Ineligible Shareholders for whose benefit the Sale Shares have been sold in proportion to their shareholdings as at the Record Date (after deducting the Offer Price and Selling Fees).

If any such net proceeds of sale are less than the reasonable costs that would be incurred by the Company for distributing those proceeds, such proceeds may be retained by the Company.

Notwithstanding that the Nominee may sell the Sale Shares, Ineligible Shareholders may nevertheless receive no net proceeds if the Offer Price plus the Selling Fees are greater than the sale proceeds.

Neither the Company nor the Nominee will be liable for a failure to obtain any net proceeds, or to sell Sale Shares at any particular price.

Further information

If you have any questions in respect of the Entitlement Offer, please call the Peak Offer Information Line on 1300 131 678 (within Australia) or +61 1300 131 678 (outside Australia) at any time from 8.30am to 5.30pm (Sydney time) Monday to Friday (excluding public holidays) during the Entitlement Offer period, or by email at capital.markets.au@cm.apac.mpms.mufig.com, or consult your broker, solicitor, accountant, tax adviser, financial adviser or other professional adviser.

For further information regarding Peak, please visit www.peakrareearths.com.

This notice is not an offer to issue New Shares to you, nor an invitation for you to apply for New Shares. You are not required to do anything in response to this letter.

On behalf of Peak, we regret that you are not eligible to participate in the Entitlement Offer and thank you for your continued support.

Yours sincerely,



Russell Scrimshaw
Executive Chairman
Peak Rare Earths Limited

IMPORTANT NOTICE AND DISCLAIMER

The Entitlement Offer is being made by the Company in accordance with section 708AA of the Corporations Act as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* and *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73*, meaning that no prospectus or other disclosure document needs to be prepared.

Determination of eligibility of investors for the purposes of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of the Company. Each of the Company and its respective related bodies corporate (as defined in the Corporations Act) and affiliates and each of their respective directors, officers, employees, partners, consultants, contractors, agents and advisers disclaim any duty or liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law.

This letter is issued by the Company to inform you about the Entitlement Offer. This letter is not a prospectus or offering document under Australian law or under any other law. This letter is for information purposes only and does not constitute or form part of an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any New Shares in the Company.

The provision of this letter is not, and should not be considered as, financial product advice. The information in this letter is general information only and does not take into account your individual objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your broker, solicitor, accountant, tax adviser, financial adviser or other professional adviser.

NOT AN OFFER IN THE UNITED STATES

This letter does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or any other jurisdiction. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 (the "Securities Act") or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold in the United States, except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable US state securities laws.