



Announcement Summary

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**Entity name**

AUSTRALIAN RARE EARTHS LIMITED

**Date of this announcement**

Friday May 20, 2022

**The +securities the subject of this notification are:**

+Other securities issued under an +employee incentive scheme that are not intended to be quoted on ASX

**Total number of +securities to be issued/transferred**

<b>ASX +security code</b>	<b>Security description</b>	<b>Total number of +securities to be issued/transferred</b>	<b>Issue date</b>
New class - code to be confirmed	Unlisted options, exercisable at \$1.02 each and expiring on 9 May 2025	1,000,000	20/05/2022

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

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**1.1 Name of entity**

AUSTRALIAN RARE EARTHS LIMITED

We (the entity named above) give notice of the issue, conversion or payment up of the following unquoted +securities.

**1.2 Registered number type**

ACN

**Registration number**

632645302

**1.3 ASX issuer code**

AR3

**1.4 The announcement is**

New announcement

**1.5 Date of this announcement**

20/5/2022



Part 2 - Issue details

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**2.1 The +securities the subject of this notification are:**

+Other securities issued under an +employee incentive scheme that are not intended to be quoted on ASX

**2.2a This notification is given in relation to an issue of +securities in a class which is not quoted on ASX and which:**

does not have an existing ASX security code ("new class")



Part 3C - number and type of +securities the subject of this notification (new class) where issue has not previously been notified to ASX in an Appendix 3B

**ASX +security code**

New class - code to be confirmed

**+Security description**

Unlisted options, exercisable at \$1.02 each and expiring on 9 May 2025

**+Security type**

Options

**ISIN code**

**Date the +securities the subject of this notification were issued**

20/5/2022

**Will all the +securities issued in this class rank equally in all respects from their issue date?**

Yes

**Were any of the +securities issued to +key management personnel (KMP) or an +associate?**

No

**Have you received confirmation from ASX that the terms of the +securities are appropriate and equitable under listing rule 6.1?**

No

**Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities being issued.**

Options issued on the same terms as those detailed in Appendix A of the Notice of Annual General Meeting dated 25 October 2021 <https://www.asx.com.au/asxpdf/20211025/pdf/45228gv6kmmf6r.pdf>.

Options Details

**+Security currency**

AUD - Australian Dollar

**Exercise price**

AUD 1.02000000

**Expiry date**

9/5/2025

**Details of the existing class of +security that will be issued upon exercise or conversion of this new class of company option**

Other

**Description**

Each option is exercisable into one fully paid ordinary share in the Company (ASX: AR3)

**Please provide a URL link for a document lodged with ASX detailing the terms of the +employee incentive scheme or a summary of the terms**

Employee Share Option Plan lodged with ASX on 29 June 2021 as part of the Company's Admission to the Official List of ASX. <https://www.asx.com.au/asxpdf/20210629/pdf/44xsjnb8xl3lh9.pdf>



**Any other information the entity wishes to provide about the +securities the subject of this notification**

Options will vest as follows:

- a) 1/3rd vest on 9 May 2022;
- b) 1/3rd vest on 9 May 2023; and
- c) 1/3rd vest on 9 May 2024

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Issue details

**Number of +securities**

1,000,000

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## Part 4 - +Securities on issue

Following the issue, conversion or payment up of the +securities the subject of this application, the +securities of the entity will comprise:  
(A discrepancy in these figures compared to your own may be due to a matter of timing if there is more than one application for quotation/issuance currently with ASX for processing.)

## 4.1 Quoted +Securities (Total number of each +class of +securities quoted)

ASX +security code and description	Total number of +securities on issue
AR3 : ORDINARY FULLY PAID	76,727,341

## 4.2 Unquoted +Securities (Total number of each +class of +securities issued but not quoted on ASX)

ASX +security code and description	Total number of +securities on issue
AR3AI : OPTION EXPIRING 29-JUN-2024 EX \$0.45	430,000
AR3AB : ORDINARY FULLY PAID RESTRICTED	34,296,668
AR3AE : OPTION EXPIRING 01-DEC-2024 EX \$1.44	1,600,000
AR3AC : OPTION EXPIRING 29-JUN-2024 RESTRICTED	6,167,200
AR3AD : OPTION EXPIRING 25-JAN-2025 RESTRICTED	6,000,000
AR3AF : OPTION EXPIRING 29-JUL-2025 EX \$0.60	2,000,000
AR3AG : OPTION EXPIRING 01-DEC-2024 EX \$1.46	2,000,000
AR3AH : OPTION EXPIRING 01-DEC-2025 EX \$1.95	2,000,000
New class - code to be confirmed : Unlisted options, exercisable at \$1.02 each and expiring on 9 May 2025	1,000,000



Part 5 - Other Listing Rule requirements

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**5.1 Were the +securities issued under an exception in Listing Rule 7.2 and therefore the issue did not need any security holder approval under Listing Rule 7.1?**

Yes

**5.1a Select the number of the applicable exception in Listing Rule 7.2**

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