



Announcement Summary

Entity name

AUSTRALIAN RARE EARTHS LIMITED

Date of this announcement

Monday November 27, 2023

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

ASX +security code	Security description	Total number of +securities to be issued/transferred	Issue date
New class - code to be confirmed	Unlisted Options, exercisable at \$0.435 and expiring on 26 November 2027.	1,108,333	27/11/2023

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

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

27/11/2023



Part 2 - Issue details

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 \$0.435 and expiring on 26 November 2027.

+Security type

Options

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

27/11/2023

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?**☒ Yes**Provide details of the KMP or +associates being issued +securities.****Name of KMP**

Noel Whitcher

Name of registered holderN & S MANAGEMENT CONSULTING
ATF THE NOESAR FAMILY TRUST**Number of +securities**

208,333

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.**Employee Share Option Plan as approved by Shareholders at the Company's Annual General Meeting on 8 November 2023. <https://ar3.com.au/6-10-23-ar3-notice-of-annual-general-meeting-proxy-form/>

Options Details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.43500000

Expiry date

26/11/2027

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 code: 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 as approved by Shareholders at the Company's Annual General Meeting on 8 November 2023. <https://ar3.com.au/6-10-23-ar3-notice-of-annual-general-meeting-proxy-form/>

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

Options will vest as follows:

- a) 1/3 on 27 November 2023
- b) 1/3 on 30 June 2024
- c) 1/3 on 30 June 2025

Issue details

Number of +securities

1,108,333



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	154,165,962

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
AR3AK : OPTION EXPIRING 13-DEC-2023 EX \$0.57	9,058,697
AR3AM : OPTION EXPIRING 02-DEC-2025 EX \$0.50	1,750,000
AR3AN : OPTION EXPIRING 02-DEC-2026 EX \$0.50	1,550,000
AR3AO : OPTION EXPIRING 28-FEB-2026 EX \$0.47	500,000
AR3AL : OPTION EXPIRING 04-JUL-2025 EX \$0.5743	500,000
AR3AE : OPTION EXPIRING 01-DEC-2024 EX \$1.44	1,600,000
AR3AJ : OPTION EXPIRING 09-MAY-2025 EX \$1.02	1,000,000
AR3AC : OPTION EXPIRING 29-JUN-2024 EX \$0.45	6,597,200
AR3AD : OPTION EXPIRING 25-JAN-2025 EX \$0.30	6,000,000
AR3AF : OPTION EXPIRING 29-JUL-2025 EX \$0.60	2,000,000
AR3AP : OPTION EXPIRING 09-MAY-2025 EX \$0.57	8,163,147
New class - code to be confirmed : Unlisted Options, exercisable at \$0.435 and expiring on 26 November 2027.	1,108,333



Part 5 - Other Listing Rule requirements

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

13