

22 July 2025

Adjustment to Option Exercise Price

Australian Rare Earths Limited (ASX: AR3 or the “Company”) advises that in accordance with ASX Listing Rule 3.11.2, it has Options on issue which, under ASX Listing Rule 6.22.2 and the terms of the Option, require the exercise price to be adjusted as a result of the pro-rata accelerated non-renounceable entitlement offer that closed 28 April 2025.

ASX Listing Rule 6.22 provides for a change in the exercise price if there is a pro-rata issue. The reduction in exercise price to be applied is outlined in the formula in ASX Listing Rule 6.22.2.

Effective 5 business days from the date of this announcement, the exercise price of the Company’s Options will be adjusted in accordance with their terms and the ASX Listing Rules as follows:

ASX Security Code	Expiry Date	Original Exercise Price	Adjusted Exercise Price
AR3AF	29/07/2025	\$0.60	\$0.5971
AR3AM	02/12/2025	\$0.50	\$0.4971
AR3AN	02/12/2026	\$0.50	\$0.4971
AR3AO	28/02/2026	\$0.47	\$0.4671
AR3AR	26/11/2027	\$0.435	\$0.4321
AR3AS	26/11/2026	\$0.37	\$0.3671
AR3AT	26/11/2026	\$0.50	\$0.4971
AR3AU	20/12/2026	\$0.4739	\$0.4710

The announcement has been authorised for release by the Secretary of Australian Rare Earths Limited.

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Engage and Contribute at the AR3 investor hub: <https://investorhub.ar3.com.au>

About Australian Rare Earths Limited

Australian Rare Earths (AR3) is an emerging diversified critical minerals company, strategically positioned to meet the growing global demand for uranium and rare earth elements. The Company’s vast 7,700 km² Overland Uranium Project in South Australia shows strong uranium discovery potential, with initial drilling identifying opportunities for substantial near-surface and deeper deposits.

Simultaneously, AR3’s Koppamurra Rare Earths Project in South Australia and Victoria has secured important government support through a \$5 million grant to accelerate development. With support from global advanced industrial materials manufacturer, Neo Performance Materials, AR3 is progressing toward a Pre-Feasibility Study and a demonstration facility, solidifying its role in diversifying global rare earth supply chains for the clean energy transition. With strategic projects and strong government support, AR3 is poised for significant growth in the critical minerals market.