

## Quarterly Report

### Listing Rule 5.3.4 Additional Disclosure

Australian Rare Earths Limited's ([ASX: AR3](#)) ('AREL' or 'the Company') wishes to advise in accordance with Listing Rule 5.3.4, the following additional disclosure in relation to the Quarterly Activities Report for the quarter ended 30 June 2021 that was lodged on 27 July 2021.

Australian Rare Earths Limited was admitted to the official list of the ASX on 29 June 2021 and commenced quotation on ASX on 1 July 2021, following completion of an IPO raising \$12.0 million.

The June 2021 quarter is included in the period covered by a Use of Funds statement that was included in the Company's Prospectus dated 7 May 2021 (**Prospectus**).

A comparison of the Company's actual expenditure for the June 2021 quarter against expenditure disclosed in the Use of Funds statement at section 1.13 of the Prospectus is detailed in the table below.

A use of funds statement, in accordance with ASX Listing Rule 5.3.4, will be incorporated in the Company's future quarterly activity reporting to ASX.

Use of Funds (A\$)	Per Prospectus	Actual as at 30 June 2021	
	Use of Funds Statement (\$k)	Actual (\$k)	Balance Remaining (\$k)
Cash - Pre-offer (as at 31 March 2021)	732	732	-
Total Funds Raised Under the Offer	12,000	12,000	-
<b>Total Funds Available</b>		<b>12,732</b>	-
Expenses of the Offer	<b>1,047</b>	133	914
Resource Definition Drilling	<b>4,000</b>	250	3,750
Regional Exploration	<b>2,000</b>	116	1,884
Metallurgical Testwork and Studies	<b>3,000</b>	50	2,950
Working Capital	<b>2,685</b>	92	2,593
<b>Total Funds Applied</b>	<b>12,732</b>	<b>641</b>	<b>12,091</b>
<b>Cash as at 30 June 2021</b>		<b>12,091</b>	

The Board of Australian Rare Earths Limited authorised this announcement to be given to ASX.

**For further information please contact:**

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# AUSTRALIAN RARE EARTHS

## About Australian Rare Earths Limited

Australian Rare Earths (AR3) is committed to the timely exploration and development of its 100% owned, flagship Koppamurra Project, located in South Australia and Victoria. Koppamurra is a prospective ionic clay hosted rare earth element (REE) deposit; uniquely rich in all the REEs required in the manufacture of rare earth permanent magnets which are essential components in energy efficient motors.

The Company is focused on executing a growth strategy that will ensure AR3 is in a position to become an independent and sustainable source of HREEs, playing a pivotal role in the global transition to a green economy.