

29 November 2023

MAKUUTU LAND ACCESS AGREEMENT VERIFICATION COMPLETED BY DGSM FOR STAGE 1 MINING LICENCE APPLICATION

- **Ugandan Government representatives from the Directorate of Geological Survey and Mines (DGSM) have completed the on-site verification processes noting strong local support from stakeholders providing positive social licence to operate;**
- **Land access agreements now secured for over 95% of the full 44km² Mining Licence Application (MLA) for the Stage One development of the Makuutu Project over Retention Licence (RL) 1693 (application TN03834);**
- **Final administrative stages of the Mining Licence approval process underway; and**
- **Makuutu’s basket contains 71% magnet and heavy rare earths content, and is one of the most advanced heavy rare earth projects globally available as a source for new supply chains emerging across Europe, the US, and Asia.**

Ionic Rare Earths Limited (“IonicRE” or “the Company”) (ASX: IXR) is pleased to provide a further update on progress in securing land access agreements and the verification process for the Mining Licence Application (MLA) for the Stage One development of the Makuutu Rare Earths Project (“Makuutu”) over Retention Licence (RL) 1693 (application TN03834), through local Ugandan operating entity Rwenzori Rare Metals Limited (“RRM”).

The Ugandan government approved RRM’s proposed process to secure land access agreements on 15th September 2023. Land access agreements have now been secured for 95% of the MLA.

As noted in earlier announcements, the Makuutu Heavy Rare Earths Project has the Government’s full support and is set to become Uganda’s flagship mine (refer also to IXR ASX release on the 11th of September 2023 for more detail).

Last week, RRM hosted a delegation from the Directorate of Geological Survey and Mines (DGSM) to conduct physical verification and stakeholder engagement activities. The Delegation undertook a three-day process on behalf of the Permanent Secretary of the Ministry of Energy and Mineral Development (MEMD) to verify the process undertaken and results achieved by RRM in securing Land Access agreements as part of the Mining Licence application process.

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Key observations of the visit by the DGSM conveyed to the Company indicated that across the three districts, local stakeholders confirmed satisfaction with project engagement and emphasised that RRM should be granted a mining licence.

On conclusion, the DGSM lead confirmed that an excellent land acquisition and community engagement process had been undertaken. The DGSM also noted that RRM has a social licence to operate in the project area based on the goodwill noted over the three days and the continued support for the Project by the community.

The company is now engaging with the DGSM and MEMD on the formal award, and the gazetting of the formal award of the Stage 1 mining licence over TN03834.

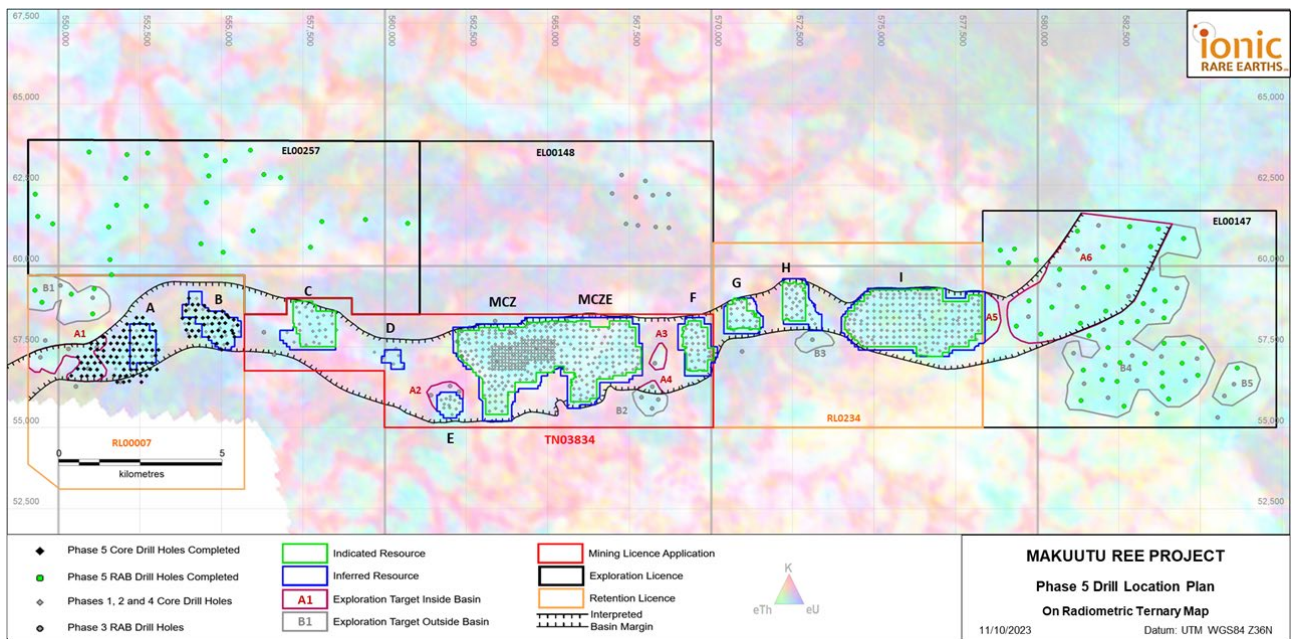


Figure 1: Makuutu Project area showing stage 1 MLA area at RL 1693 / TN03834, pending award.

Authorised for release by the Board.

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About Ionic Rare Earths Ltd

Ionic Rare Earths Limited (ASX: IXR or IonicRE) is set to become a miner, refiner and recycler of sustainable and traceable magnet and heavy rare earths needed to develop net-zero carbon technologies.

The Makuutu Rare Earths Project in Uganda, 60% owned by IonicRE, is well-supported by existing tier-one infrastructure and is on track to become a long-life, low Capex, scalable and sustainable supplier of high-value magnet and heavy rare earths oxides (REO). In March 2023, IonicRE announced a positive stage 1 Definitive Feasibility Study (DFS) for the first of six (6) tenements to progress to a Mining Licence Application (MLA) which is pending in Uganda. The Makuutu Stage 1 DFS defined a 35-year life initial project producing a 71% rich magnet and heavy rare earth carbonate (MREC) product basket and the potential for significant potential and scale up through additional tenements.

Ionic Technologies International Limited (“Ionic Technologies”), a 100% owned UK subsidiary acquired in 2022, has developed processes for the separation and recovery of rare earth elements (REE) from mining ore concentrates and recycled permanent magnets. Ionic Technologies is focusing on the commercialisation of the technology to achieve near complete extraction from end of life / spent magnets and waste (swarf) to high value, separated and traceable magnet rare earth products with grades exceeding 99.9% rare earth oxide (REO). In June 2023, Ionic Technologies announced initial production of high purity magnet REOs from its newly commissioned Demonstration Plant. This technology and operating Demonstration Plant provides first mover advantage in the industrial elemental extraction of REEs from recycling, enabling near term magnet REO production capability to support demand for early-stage alternative supply chains. In September 2023, Ionic Technologies announced with the support of the UK government, collaboration partnerships to build a domestic UK supply chain, from recycled REOs to metals, alloys and magnets and supplying UK based electric vehicles (EV) manufacturing, with potential to replicate across other key markets.

As part of an integrated strategy to create downstream supply chain value, IonicRE is also evaluating the development of its own magnet and heavy rare earth refinery, or hub, to separate the unique and high value magnet and heavy rare earths dominant Makuutu basket into the full spectrum of REOs plus scandium.

This integrated strategy completes the circular economy of sustainable and traceable magnet and heavy rare earth products needed to supply applications critical to EVs, offshore wind turbines, communication, and key defence initiatives.

IonicRE is a Participant of the UN Global Compact and adheres to its principles-based approach to responsible business.

Competent Persons Statement

The information in this report that relates to Production Targets or forecast financial information derived from production the production target for the Makuutu Rare Earths deposit was first released to the ASX on 20 March 2023 and is available to view on www.asx.com.au. Ionic Rare Earths Limited confirms that all material assumptions and technical parameters underpinning the Production Targets or forecast financial estimates in the announcement continue to apply and have not materially changed.

Forward Looking Statements

This announcement has been prepared by Ionic Rare Earths Limited and may include forward-looking statements. Forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of Ionic Rare Earths Limited. Actual values, results or events may be materially different to those expressed or implied in this document. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. Any forward-looking statements in this document speak only at the date of issue of this document. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Ionic Rare Earths Limited does not undertake any obligation to update or revise any information or any of the forward-looking statements in this document or any changes in events, conditions, or circumstances on which any such forward looking statement is based.