



ASX Announcement

24 April 2024

IONICRE RAISES \$5.5 MILLION IN A PLACEMENT

- IonicRE has received firm commitments to raise \$5.5 million (before costs) in a Placement;
- Placement includes participation of \$0.5 million from IonicRE Executive Chairman Mr Brett Lynch, further to his recent \$1.5 million investment on joining the Company in January 2024;
- Funds raised will support:
 - Advancing Ionic Technologies' magnet recycling technology and enhancements to its Magnet Recycling Demonstration Plant, currently producing separated magnet rare earth oxides (REOs) in Belfast, UK, along with the completion of a Feasibility Study for a full-scale plant, expected mid 2024; and
 - Advancing offtake and financing discussions presently underway at the Makuutu Ionic Adsorption Rare Earths Project, where the demonstration plant at site is producing mixed rare earth carbonate (MREC) which will be evaluated by several parties to advance offtake negotiations.

The Board of Ionic Rare Earths Limited (ASX: IXR) ("IonicRE" or "the Company") announces it has received firm commitments to raise \$5.5 million (before costs) by way of a share placement of approximately 423 million shares at \$0.013 per share ("Placement"). The Placement was strongly supported by both key existing shareholders.

Managing Director Tim Harrison commented, "We have received such a significant amount of interest from various magnet manufacturers, alloy makers and OEM's who are interested in utilising our world-class magnet rare-earth recycling technology for access to secure, sustainable, and traceable rare earth supply. Demand at our operational demonstration plant in Belfast is now full for the next 18 months with potential partner trials advancing to plan."

"Further, our upstream project, the Makuutu Rare Earth Project, is also advancing well with several offtake negotiations with partners who will be evaluating our MREC being produced at the Makuutu demonstration plant. We are on the verge of a tangible increase in shareholder value. We greatly appreciate the support of existing shareholders with funding this placement."

Placement Details

The Company has received binding commitments from existing sophisticated investors to raise \$5.5 million (before costs) through the issue of 423,076,923 fully paid ordinary shares ("Shares") at an issue price of \$0.013 per Share ("Placement"). Participants will receive 3 free attaching unlisted options for every 4 shares issued with an exercise price of \$0.02 (being a 54% premium to the issue price of Shares under the Placement) and a 4-year term which will see 317,307,690 unlisted options ("Options"). 216,967,454 free attaching unlisted



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Options will be issued utilising the Company's existing placement capacity pursuant to Listing Rule 7.1, with the balance to be issued subject to shareholder approval.

The issue price under the Placement represents a 25.3% discount to the volume weighted average price ("VWAP") of IonicRE shares over the past 10 trading days. Shares issued under the Placement will be issued utilising the Company's existing placement capacity pursuant to Listing Rule 7.1 and are expected to be issued on or about Wednesday, 1 May 2024. The Shares issued under the Placement will rank equally with IonicRE's existing Shares quoted on the ASX.

Mr. Brett Lynch, IonicRE's Executive Chairman, will subscribe for 38,461,539 Shares (\$500,000) under the Placement plus 28,846,154 free attaching Options with an exercise price of \$0.02 and a 4-year term, subject to receiving approval at a general meeting of shareholders to be held this quarter. This is in addition to Mr Lynch's \$1.5 million equity investment in January 2024 when he joined the Board of the Company.

Canaccord Genuity (Australia) Limited and MST Financial Services Pty Limited acted as Joint Lead Managers to the Placement, with Canaccord acting exclusively as Global Coordinator and Sole Bookrunner (Global Coordinator) to the offer.

Use of Funds

It is the intention of the Company to use the funds raised under the Placement to advance the commercial partnership negotiations, magnet recycling demonstration plant enhancements and the completion of the feasibility study at Ionic Technologies, plus activity at the Makuutu demonstration plant tied to offtake negotiations and working capital.

The Joint Lead Managers will be entitled to receive a fee equal to 6% of the Placement proceeds, excluding the amount subscribed by Mr. Brett Lynch. Subject to shareholder approval, the Company proposes to issue 20 million unlisted options to the Joint Lead Managers with an exercise price of \$0.02 and expiring 4 years after the date the options are issued.

All amounts are in Australian dollars unless otherwise specified.

Nothing contained in this announcement constitutes investment, legal, tax or other advice. Investors should seek appropriate professional advice before making any investment decision.

INDICATIVE OFFER TIMETABLE	
Event	Time / Date
Placement Settlement	Tuesday, 30 April 2024
Expected Date of ASX Quotation of New Shares	Wednesday, 1 May 2024
General Meeting of shareholders	June 2024

For more information about IonicRE and its operations, please visit www.ionicre.com.

Authorised for release by the Board.

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About Ionic

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.

Ionic Technologies International Limited ("Ionic Technologies"), a 100% owned UK subsidiary, 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 and has moved to continuous production in March 2024, providing a first mover advantage in the industrial elemental extraction of REEs from recycling. In September 2023, Ionic Technologies announced collaboration partnerships with Ford Technologies, Less Common Metals (LCM) and the British Geological Survey (BGS) 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.

The Makuutu Rare Earths Project in Uganda, (60% owned; moving to 94% in Q2 2024), 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 REO. In March 2023, IonicRE announced a positive stage 1 Definitive Feasibility Study (DFS) for the first of six tenements to progress to a mining licence, which was awarded in January 2024. Makuutu is now producing mixed rare earth carbonate (MREC) from a Demonstration Plant on site to advance offtake negotiations.

IonicRE has also executed a transformational 50/50 joint venture refinery and magnet recycling facility in Brazil with Viridis Mining and Minerals Limited (ASX: VMM) to separate high value magnet and heavy rare earths from the Colossus Project's full spectrum of REOs.

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.

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

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