



INTERIM CONSOLIDATED FINANCIAL STATEMENTS

**RAREX LIMITED
ABN: 65 105 578 756
AND CONTROLLED ENTITIES**

**FINANCIAL STATEMENTS
FOR HALF YEAR ENDED
31 DECEMBER 2024**

RAREX LIMITED AND CONTROLLED ENTITIES



CORPORATE DIRECTORY

DIRECTORS

Mr Jeremy Robinson
Non-Executive Chairman

Mr James Durrant
Managing Director & CEO

Mr Danny Goeman
Non-Executive Director

Mr Shaun Hardcastle
Non-Executive Director

COMPANY SECRETARY
Ms Oonagh Malone

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Hamilton Locke
Central Park, Level 39
152-158 St Georges Terrace
Perth
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AUDITOR

Hall Chadwick WA Audit Pty Ltd
283 Rokeby Road
Subiaco
Western Australia 6008

SHARE REGISTRY

Automic Registry Services
Level 5, 191 St Georges Terrace
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Western Australia 6000
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DIRECTORS' REPORT

The Board of Directors have pleasure in presenting its interim consolidated report of RareX Limited (**RareX or the Company**) and its controlled entities (**the Group or consolidated entity**) for the half year ended 31 December 2024.

1. DIRECTORS

The names of the Company's Directors in office during the half year and until the date of this report are set out below. Directors were in office for this entire period, unless otherwise indicated.

Mr Jeremy Robinson
Mr Danny Goeman
Mr Shaun Hardcastle
Mr Jame Durrant (*transitioned to Managing Director 15 July 2024*)
Mr Cameron Henry (*retired 14 July 2024*)
Mr John Young (*retired 14 July 2024*)

2. PRINCIPAL ACTIVITIES

The principal activities of the Group are mineral exploration and development. No significant change in the nature of these activities occurred during the half year.

3. REVIEW OF OPERATIONS

During the half of the year the Company focussed on de-risking the existing portfolio and on inorganic expansion

- Prioritising work towards a standalone startup option for Cummins Range through alternative processing options leveraging the phosphate.
- Derisking and consolidating the exploration assts of Mts Mansbridge, Cummins Range Near-Mine and Khaleesi. Including tenement acquisition, access agreements and heritage agreements and technical de-risking through geological assessments and modelling.
- M&A activity consistent with the rare earth expertise and thematic of RareX.

4. FINANCIAL RESULTS

The loss of the Group for the period ended 31 December 2024 was \$2,025,220 (six months to 31 December 2023: loss of \$709,160). During the half year, total expenses amounted to \$2,968,213 (six months to 31 December 2023: \$3,937,114).

Unrestricted cash and cash equivalents amounted to \$1,088,578 as at 31 December 2024 (30 June 2024: \$1,895,899).

5. EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

There are no matters or circumstances which have arisen since the end of the half year which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial periods, other than:

- On 12 February 2025, the Company announced it had secured an access agreement for Khaleesi with Deep Yellow aswell as two additional licences, E39/2496 and E39/2415.
- On 12 March 2025, the Company announced it acquired additional tenements E80/5942 and E80/5973 which are part of the Mt Mansbridge Heavy Rare Earths project.



6. AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration under Section 307C of the Corporations Act 2001 is set out on page 3 and forms part of the Directors' Report for the half year ended 31 December 2024.

This report is made in accordance with a resolution of the Directors.

On behalf of the Directors.

Jeremy Robinson

Non-Executive Chairman

Signed this 14th day of March 2025.

To the Board of Directors,

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit Director for the review of the financial statements of RareX Limited and its controlled entities it controlled for the half year ended 31 December 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- any applicable code of professional conduct in relation to the review.

Yours Faithfully,

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated this 14th day of March 2025
Perth, Western Australia

RAREX LIMITED AND CONTROLLED ENTITIES



CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Notes	Consolidated	
		6 months ended 31 December 2024 \$	6 months ended 31 December 2023 \$
Income			
Other income	3	115,204	1,251,057
Grant Income	3	827,789	1,976,898
Total Income		942,993	3,227,955
Expenses			
Administration expenses		(356,289)	(296,765)
Consultants & management expenses		(705,394)	(1,227,134)
Depreciation, amortisation and impairment expense		(48,597)	(82,302)
Finance costs		(2,178)	(6,756)
Legal expenses		(88,913)	(119,353)
Share based payments expense	15	(274,271)	(126,539)
Exploration expenses		(438,318)	(1,746,380)
Foreign exchange (loss)		(3,410)	(438)
(Loss) / Gain on revaluation of financial assets		(945,773)	54,662
Share of loss from associate	7	(105,070)	(386,110)
Total expenses		(2,968,213)	(3,937,114)
Loss from continuing operations before income tax expense		(2,025,220)	(709,160)
Income tax expense		-	-
Loss from continuing operations after income tax expense		(2,025,220)	(709,160)
Other comprehensive income			
Exchange rate differences on translating foreign operations		(12,058)	(1,270)
Total comprehensive loss attributable to owners of the parent		(2,037,278)	(710,430)
Loss per share			
- basic and diluted		(0.25) cents	(0.10) cents

The above Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the accompanying notes

RAREX LIMITED AND CONTROLLED ENTITIES



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE HALF YEAR ENDED 31 DECEMBER 2024

		Consolidated	
		31 December 2024	30 June 2024
	Notes	\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	4	1,088,578	1,895,899
Other financial assets – term deposits	4	40,000	40,000
Trade and other receivables	5	146,192	213,536
Total Current Assets		1,274,770	2,149,435
Non-current Assets			
Financial assets at fair value	6	1,753,995	2,699,769
Investment in associate	7	307,283	412,353
Plant and equipment		172,574	209,481
Right of use asset	8	21,281	9,562
Total Non-current Assets		2,255,133	3,331,165
TOTAL ASSETS		3,529,903	5,480,600
LIABILITIES			
Current Liabilities			
Trade and other payables	9	584,590	915,128
Employee provisions		69,113	83,519
Lease liability	10	21,342	9,426
Total Current Liabilities		675,045	1,008,073
TOTAL LIABILITIES		675,045	1,008,073
NET ASSETS		2,854,858	4,472,527
EQUITY			
Contributed equity	11	52,132,819	51,987,481
Reserves	12	10,075,901	9,813,688
Accumulated losses		(59,353,862)	(57,328,642)
TOTAL EQUITY		2,854,858	4,472,527

The above Condensed Consolidated Statement of Financial Position is to be read in conjunction with the accompanying notes.



RAREX LIMITED AND CONTROLLED ENTITIES

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 DECEMBER 2024

CONDENSATED	Notes	Ordinary Shares	Options Reserve	Share Based Payments Reserve	Foreign Currency Translation Reserve	(Accumulated Losses)	Total Equity
		\$	\$	\$	\$	\$	\$
At 1 July 2024		51,987,481	5,874,212	3,934,922	4,554	(57,328,642)	4,472,527
Other comprehensive income / (loss)		-	-	-	(12,058)	-	(12,058)
Loss for the period, net of tax		-	-	-	-	(2,025,220)	(2,025,220)
Total comprehensive loss for the period, net of tax		-	-	-	(12,058)	(2,025,220)	(2,037,278)
Transactions with owners in their capacity as owners							
Share issues	11	150,000	-	-	-	-	150,000
Transaction costs	11	(4,662)	-	-	-	-	(4,662)
Share based payments	15	-	148,500	125,771	-	-	274,271
At 31 December 2024		52,132,819	6,022,712	4,060,693	7,504	(59,353,862)	2,854,858
At 1 July 2023		49,739,062	5,874,212	3,954,370	(4,501)	(54,046,940)	5,516,203
Other comprehensive income / (loss)		-	-	-	(1,270)	-	(1,270)
Loss for the period, net of tax		-	-	-	-	(709,160)	(709,160)
Total comprehensive loss for the period, net of tax		-	-	-	(1,270)	(709,160)	(710,430)
Transactions with owners in their capacity as owners							
Share issues		500,000	-	-	-	-	500,000
Transaction costs		(6,989)	-	-	-	-	(6,989)
Share based payments		-	-	126,539	-	-	126,539
Conversion of Performance Rights		210,000		(210,000)	-	-	-
At 31 December 2023		50,442,073	5,874,212	3,870,909	(5,771)	(54,756,100)	5,425,323

The above Condensed Consolidated Statement of Changes in Equity is to be read in conjunction with the accompanying notes.



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2024

		Consolidated	
		6 months to 31 December 2024	6 months to 31 December 2023
	Notes	\$	\$
CASH FLOWS USED IN OPERATING ACTIVITIES			
Payments to suppliers and employees		(1,881,421)	(3,927,405)
Interest received		20,878	33,120
Interest paid		(252)	(6,756)
Proceeds from research and development tax incentives		827,789	-
Other income		93,766	11,540
NET CASH FLOWS USED IN OPERATING ACTIVITIES		(939,240)	(3,889,501)
CASH FLOWS USED IN INVESTING ACTIVITIES			
Payments for property, plant and equipment		-	(1,011)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		-	(1,011)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from share issue		150,000	500,000
Costs of share issue		(4,662)	(6,989)
Share application funds		-	(14,500)
Reduction in finance lease liabilities		(13,419)	(44,761)
NET CASH FLOWS USED IN FINANCING ACTIVITIES		131,919	433,750
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(807,321)	(3,456,762)
Cash and cash equivalents at beginning of period		1,895,899	4,310,662
Effect of movement in exchange rate		-	(1,956)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	4	1,088,578	851,904
Add: Other financial assets – term deposits at bank	4	40,000	56,942
CASH AND CASH EQUIVALENTS AND OTHER FINANCIAL ASSETS – TERM DEPOSITS AT END OF PERIOD	4	1,128,578	908,846

The above Condensed Consolidated Statement of Cash Flows is to be read in conjunction with the accompanying notes.



1. CORPORATE INFORMATION

The consolidated financial report of RareX Limited (**the Company**) for the half year ended 31 December 2024 was authorised for issue in accordance with a resolution of the Directors on 14th March 2025.

RareX Limited is a company incorporated in Australia and limited by shares which are publicly traded on the Australian Securities Exchange. The principal activities during the year of the entities within the consolidated entity were mineral exploration and development.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The general purpose consolidated financial statements for the interim half year reporting period ended 31 December 2024 have been prepared in accordance with Australian Accounting Standard 134 Interim Financial Reporting and the Corporations Act 2001, as appropriate for 'for-profit' orientated entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting.

This interim consolidated financial report does not include all notes of the type normally included in an annual financial report and therefore cannot be expected to provide a full understanding of the financial performance, financial position and financing and investing activities of the entity as the full financial report. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies stated below.

(a) Basis of Preparation

In the half year ended 31 December 2024, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (**AASB**) that are relevant to the Group's operations and effective for annual reporting periods commencing on or after 1 July 2024.

The Group has adopted all the new or amended Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period. It has been determined by the Directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group and, therefore, no change is necessary to accounting policies.

Future effects of the implementation of these standards will depend on future details.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted by the Group.

Going concern

As at 31 December 2024, the Group had net current assets of \$599,724 (30 June 2024: \$1,141,362) and returned a loss attributable to owners of \$2,025,220 (31 December 2023: \$709,160). The ability of the Group to continue as a going concern is dependent upon the future successful raising of the necessary funding through disposal of assets, equity and/or debt and the successful exploitation of the Group's tenements. In the event that the Company is unable to secure sufficient funding, there is a material uncertainty relating to the Group's ability to continue as going concern and it may be required to realise its assets at amounts different to those currently recognised, settle liabilities other than in the ordinary course of business and make provisions for other costs which may arise as a result of cessation or curtailment of normal business operations.

The Directors believe it is appropriate to prepare the Financial Statements on a going concern basis as the Group has sufficient funds available to meet its committed and required expenditure over the following year. The Group has a strong historical record of raising funds and can raise working capital through the issue of debt or equity securities and/or other funding over the next 12 months. Additionally, the Group can revise the scope of their exploration activities in line with the funds available to the Group.

These Financial Statements have been prepared on the basis that the Group can meet its commitments as and when they fall due and can therefore continue normal business activities and the realisation of its assets and settlement of its liabilities can occur in the ordinary course of business.



2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (*continued*)

(b) Changes in accounting policies

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 30 June 2024.

The Group has adopted all mandatory new and amended standards and interpretations applicable for the current period. The adoption of these standards and interpretations had no material impact on these financial statements or on the financial position or performance of the Group.

The Group has not elected to early adopt any other new standards or amendments that are issued but not yet effective. Certain amounts in the comparative financial statements have been reclassified to conform to the current period presentation.

(c) Basis of consolidation

The half year consolidated financial statements comprise the financial statements of RareX Limited and its controlled subsidiaries.

(d) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key estimates

(i) Impairment – general

The Group assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the Group that may be indicative of impairment triggers. Where impairment has been triggered, assets are written down to their recoverable amounts.

(ii) Options and Share Based Payments value

The options and share based payments issued by the Group during the half year (refer Note 15) have been valued by the Directors using the Monte Carlo model based on the inputs shown at Note 15.

(iii) Tenement acquisition costs

The Directors have elected to expense certain tenement acquisition costs in relation to the Cummins Range Rare Earths Project.

(iv) Investment in Cosmos

The Group has assessed its investment in Cosmos as an investment in an associate and has accounted for under the equity method. The assessment has included consideration of the fact that the Company has a board representation in Cosmos and the director appointed by RareX is also the executive director of Cosmos, and as such exercises significant influence over this entity.

(v) Investment in Kincora

The Group has invested 44 million CDIs in Kincora, representing 18.20% of the total issued shares (note 6). The Group has a board representation on the Kincora board. Despite the presence of board representation, the Group's influence on Kincora is limited, given that the Group's appointed director also has a personal interest in Kincora. Furthermore, there is no management involvement, and there are no material transactions between the Group and Kincora. On the basis of the foregoing, the Group has assessed its investment in Kincora as a financial instrument and has recognised the carrying value at its fair value.

Kincora's shares are listed on both the ASX and TSXV. To determine the fair value of the investment, the Group is required to determine which of the aforementioned markets is the principal market. The ASX has been determined to be the principal market, as it has higher trading volumes. In addition, Kincora's most recent capital raising was performed on the ASX.



2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (*continued*)

(e) New Standards and Interpretations

In the half year ended 31 December 2024, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group's operations and effective for annual reporting periods commencing on or after 1 July 2024. It has been determined by the Directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group and, therefore, no change is necessary to accounting policies.

Future effects of the implementation of these standards will depend on future details.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted by the Group.

3. OTHER INCOME

	Consolidated	
	6 months ended 31 December 2024	6 months ended 31 December 2023
	\$	\$
Interest received	20,878	33,120
Sundry income	83,211	17,937
Gain on disposal of investments	11,115	-
Gain on disposal of tenements	-	1,200,000
Total other income	115,204	1,251,057
R&D tax incentive	827,789	1,976,898
Total income	942,993	3,227,955

4. CASH AND CASH EQUIVALENTS AND OTHER FINANCIAL ASSETS – TERM DEPOSITS

	Consolidated	
	31 December 2024	30 June 2024
	\$	\$
Cash at bank	1,088,578	1,895,899
Term deposits*	40,000	40,000
	1,128,578	1,935,899

* Term deposits are restricted cash used as security for credit cards.

5. TRADE AND OTHER RECEIVABLES

	Consolidated	
	31 December 2024	30 June 2024
	\$	\$
Trade Debtors	26,268	37,356
Other Debtors	119,924	176,180
	146,192	213,536



6. FINANCIAL ASSETS

For all financial instruments held as at 31 December 2024, the carrying value approximates fair value.

	Consolidated	
	31 December 2024	30 June 2024
	\$	\$
Financial assets at fair value through profit or loss		
Non-Current		
Shares in listed corporations, at fair value		
- Kincora Copper Ltd (ASX: KCC) (44,983,333 CDIs; 2023 4,983,333 shares)	1,214,550	2,159,200
- Canada Rare Earth Corp (TSXV: LL.V) (24,064,658 shares; 2023 24,579,658 shares)	539,445	540,569
	1,753,995	2,699,769

7. INVESTMENT IN ASSOCIATE

In accordance with AASB 128, the Group has recognised its initial investment in Cosmos Exploration Ltd less its share of Cosmos' post divestment loss. At disposal of subsidiary, RareX have sold their tenements (6) to Cosmos and consideration was received by shares.

RareX's shareholding of Cosmos as at 31 December 2024 is 11.98%.

	Consolidated	
	31 December 2024	30 June 2024
	\$	\$
Cosmos Exploration Ltd (10,000,000 shares)	2,000,000	2,000,000
Loss brought forward	(1,587,647)	(1,030,078)
Less: Share of Cosmos' post divestment loss for the period	(105,070)	(557,569)
	307,283	412,353

8. RIGHT OF USE ASSET

	Consolidated	
	31 December 2024	30 June 2024
	\$	\$
Opening balance	9,562	216,574
Additions	23,408	-
Disposals	-	(156,061)
Amortisation	(11,689)	(50,951)
	21,281	9,562



9. TRADE AND OTHER PAYABLES

	Consolidated	
	31 December 2024	30 June 2024
	\$	\$
Trade and other payables	485,618	860,294
Accrued Expenses	98,972	54,834
	584,590	915,128

10. LEASE LIABILITIES

	Consolidated	
	31 December 2024	30 June 2024
	\$	\$
Current liability	21,342	9,426
Non-current liability	-	-
	21,342	9,426
Maturity		
Within 1 year	21,342	9,426
1-2 years	-	-
2-5 years	-	-
Over 5 years	-	-
	21,342	9,426
Opening balance	9,426	240,121
Initial recognition of new lease	23,409	-
Interest	252	7,300
Principal	(11,745)	(46,712)
Derecognition on disposal	-	(191,282)
	21,342	9,426



11. ISSUED CAPITAL

	Consolidated	
	31 December 2024	30 June 2024
	\$	\$
Ordinary shares	52,132,819	51,987,481
	52,132,819	51,987,481

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

Movement in ordinary shares on issue	6 months ended 31 December 2024		12 months ended 30 June 24	
	No. shares	\$	No. shares	\$
As at beginning of period:	790,131,550	51,987,481	668,775,462	49,739,062
Shares issued on conversion of performance rights	-	-	4,000,000	240,000
Shares issued via placement	10,714,286	150,000	107,539,682	1,849,005
Shares issued in connection with the Khaleesi Project	-	-	9,816,406	186,512
Less: Transaction costs	-	(4,662)	-	(27,098)
As at end of the period:	800,845,836	52,132,819	790,131,550	51,987,481

12. RESERVES

	Consolidated	
	31 December 2024	30 June 2024
	\$	\$
Options reserve	6,022,712	5,874,212
Share-based payment reserve	4,060,693	3,934,922
Foreign currency translation reserve	(7,504)	4,554
	10,075,901	9,813,688

	Options	Performance Rights
	(Number)	(Number)
Balance as at 1 July 2024	54,500,030	15,000,000
Movements during the period:		
Issue of Performance Rights	-	20,000,000
Issue of unquoted Options	33,000,000	-
Balance as at 31 December 2024	87,500,030	35,000,000



13. COMMITMENTS AND CONTINGENCIES

The only changes to the commitments and contingencies disclosed in the most recent annual financial report are specified below:

(a) Exploration Expenditure Commitments

	Consolidated	
	31 December 2024	30 June 2024
	\$	\$
Estimated commitments for which no provisions were included in the financial statements are as follows:		
Payable		
- not later than one year	502,377	318,355
- later than one year and not later than two years	1,626,812	390,716
- two to five years	18,479	-
	2,147,668	709,071

(b) Contingent liabilities

As the Company has not completed a positive bankable feasibility (BSF) within 36 months of the acquisition of the Cummins Range Rare Earths Project, the further deferred consideration of \$1,000,000 payable in cash or shares to Element 25 Ltd has been replaced by a royalty of 1% of the net smelter return on commercial production. As this royalty is subject to commercial production at the Cummins Range Rare Earths Project, it is disclosed as a contingent liability and has not been brought to account as a liability in the financial statements as at 31 December 2024.

14. SEGMENT REPORTING

Operating segments are reported in a manner that is consistent with the internal reporting to the chief operating decision maker (CODM), which has been identified by the Group as the Board of directors.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. RareX has reports its segmental information in accordance with AASB 8 Operating Segments,

At 31 December 2024, the Group had the following segments:

	Operating Profit/(Loss)		Total Assets		Total Liabilities	
	31/12/2024	31/12/2023	31/12/2024	30/06/2024	31/12/2024	30/06/2024
	\$	\$	\$	\$	\$	\$
Rare Earths (Western Australia)	(438,321)	(1,746,380)	152,647	182,494	(215,117)	(408,055)
Cobalt (Morocco)	(17,311)	(17,313)	147	150	-	(9,872)
Corporate	(1,569,588)	1,054,533	3,377,109	5,297,956	(459,928)	(590,146)
	(2,025,220)	(709,160)	3,529,903	5,480,600	(675,045)	(1,008,072)



15. SHARE BASED PAYMENTS

Performance rights valuation

During the period the company issued 20m performance rights to employees and 33m options to Directors of the Company.

The following performance rights, which were issued to Directors, key management personnel and employees, were recorded at their fair value in the share-based payment reserve. The performance rights have been valued by the Directors at the closing share price on the grant date, less discounts to reflect the effects of any market based vesting conditions as detailed in the below table. The expected vesting period for each performance right for performance-based vesting conditions is the period until expiry of the performance right.

KMP	Class	Grant date	No. performance rights			Fair value per performance right	Total fair value of performance rights issued	Expense to Statement of Profit or Loss for period end 31 Dec 2024 (\$)
			Issued	Converted	Balance			
						(\$)	(\$)	
J Durrant	E	10/02/2023	2,000,000	-	2,000,000	0.0600	120,000	-
	F	10/02/2023	2,000,000	-	2,000,000	0.0600	120,000	-
			4,000,000	-	4,000,000		240,000	-
Other Employees	D	10/02/2023	2,000,000	-	2,000,000	0.0600	120,000	13,750
	E	10/02/2023	3,500,000	-	3,500,000	0.0600	210,000	13,750
	F	10/02/2023	4,000,000	-	4,000,000	0.0600	240,000	13,750
	E	8/12/2023	500,000	-	500,000	0.0280	14,000	3,241
	F	8/12/2023	500,000	-	500,000	0.0280	14,000	3,240
	G	8/12/2023	500,000	-	500,000	0.0280	14,000	3,240
	H	29/11/2024	4,000,000	-	4,000,000	0.0055	22,000	22,000
	I	29/11/2024	4,000,000	-	4,000,000	0.0055	22,000	22,000
	J	29/11/2024	4,000,000	-	4,000,000	0.0011	4,400	4,400
	K	29/11/2024	4,000,000	-	4,000,000	0.0011	22,000	4,800
	L	29/11/2024	4,000,000	-	4,000,000	0.0055	22,000	22,000
			31,000,000	-	31,000,000		704,400	125,771
Total			35,000,000	-	35,000,000		926,800	125,771

The 20m performance rights issued during the year have the following conditions:

Class	Vesting Conditions	Expiry	Number
H	Announcement of an Ore Reserve for Cummins Range with 3-year term.	27 December 2027	4,000,000
I	Safe completion of a 3,600m drilling program at Khaleesi Project with 3-year term.	27 December 2027	4,000,000
J	Successful project acquisition in Saudi Arabia with 3-year term.	27 December 2027	4,000,000
K	Safe completion of a 3,600m drilling program at a project in Saudi Arabia with 3-year term.	27 December 2027	4,000,000
L	Successful acquisition of a project with an existing JORC-compliant resource with 3-year term.	27 December 2027	4,000,000

On meeting the vesting conditions, each performance right will convert into one ordinary share at the request of the holder with no further consideration. Performance rights were valued at the closing share price on the grant date. The expected vesting period for each performance right for performance-based vesting conditions is the period until expiry of the performance right.



15. SHARE BASED PAYMENTS (continued)

The following options were issued during the year to Directors, and approved by shareholders at the Annual General Meeting (AGM) held on 29 November 2024 are as follows:

Director	No. Options	Grant Date	Expiry Date	Exercise Price (\$)	Value per security (\$)	Total value (\$)
J Durrant	15,000,000	29-Nov-24	27-Dec-27	0.018	0.0045	67,500
J Robinson	6,000,000	29-Nov-24	27-Dec-27	0.018	0.0045	27,000
S Hardcastle	6,000,000	29-Nov-24	27-Dec-27	0.018	0.0045	27,000
D Goeman	6,000,000	29-Nov-24	27-Dec-27	0.018	0.0045	27,000
	33,000,000					148,500

The options have been valued using Hoadley's ESO1 model and have a value of \$0.0045 per security, which has been expensed immediately in the current financial period.

16. EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

There are no matters or circumstances which have arisen since the end of the half year which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial periods, other than:

- On 12 February 2025, the Company announced it had secured an access agreement for Khaleesi with Deep Yellow as well as two additional licences, E39/2496 and E39/2415.
- On 12 March 2025, the Company announced it acquired additional tenements E80/5942 and E80/5973 which are part of the Mt Mansbridge Heavy Rare Earths project.



DIRECTORS' DECLARATION

In the opinion of the Directors of RareX Limited:

1. The financial statements and notes, as set out within this financial report, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards which, as stated in accounting policy Note 2 to the financial statements, constitutes compliance with International Financial Reporting Standards; and
 - b. give a true and fair view of the financial position as at 31 December 2024 and of the performance for the half year ended on that date of the Company.
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Jeremy Robinson
Non-Executive Chairman

Signed this 14th day of March 2025

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF RAREX LIMITED

Conclusion

We have reviewed the accompanying half-year financial report of RareX Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 31 December 2024, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of material accounting policies and other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of RareX Limited and Controlled Entities does not comply with the *Corporations Act 2001* including:

- Giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- Complying with Accounting Standard AASB 134: *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Material Uncertainty Related to Going Concern

We draw attention to Note 2a in the financial report, which indicates that the Consolidated Entity incurred a net loss of \$2,025,220 during the half year ended 31 December 2024. As stated in Note 2a, these events or conditions, along with other matters as set forth in Note 2a, indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



HALL CHADWICK WA AUDIT PTY LTD



MARK DELAURENTIS CA
Director

Dated this 14th day of March 2025
Perth, Western Australia