



ASX Announcement

24 January 2024

## IONICRE APPOINTS BRETT LYNCH AS EXECUTIVE CHAIRMAN

- **Executive Chairman appointed to oversee strategic direction of the Company;**
- **As previous managing director of Sayona Mining Limited (ASX: SYA), Mr Lynch brings a track record of achievement in delivering uplift in value across the critical raw materials sector and supply chain integration;**
- **Mr Lynch will make a substantial initial investment in IonicRE (subject to shareholder approval) given his strong conviction in the Company's potential; and**
- **Mr Lynch's remuneration package aligns to shareholder outcomes and share price performance.**

The Board of Ionic Rare Earths Limited ("IonicRE" or "The Company") (ASX: IXR) is pleased to announce the appointment of Mr Brett Lynch as Executive Chairman, effective today.

*"Mr Lynch will play a pivotal role in overseeing the strategic direction of the Company, guiding the Company through an accelerated path to becoming a rare earth producer, and drive value appreciation for shareholders,"* Mr Tim Harrison, Managing Director of Ionic Rare Earths Limited, said.

Mr Lynch will work closely with the Board of Directors, the executive team, and all stakeholders to ensure that IonicRE continues to deliver on its objective to be a leading miner, refiner, and recycler of heavy rare earths.

*"The market demand in the magnet sector is growing quickly and requires a robust and reliable supply chain solution to meet the needs of modern economies,"* Mr Lynch said.

*"IonicRE is perfectly placed to accelerate and lead this transition with its Makuutu ionic clay deposit in Uganda and its magnet recycling operations in Northern Ireland."*

*"The rare earths industry is critical to the ongoing development of renewable energy, defence applications, and automation."*

*"I look forward to capitalising on this opportunity for the benefit of all shareholders and strategic partners,"* he said.



Mr Lynch is an experienced executive with a strong background in mining and mining-related businesses across Australia, Asia, USA, and emerging markets.

He has over 30 years' experience in international business development and management, with an outstanding track record of delivering shareholder value. He has a Bachelor of Mining Engineering at University of Melbourne.

From 2019 until August 2023, Mr Lynch was Managing Director of Sayona Mining Limited (ASX: SYA), where he was instrumental in defining a North American, low-carbon-footprint lithium supply chain into the North American market. During his time with Sayona, Mr Lynch oversaw its growth from a junior explorer to an ASX 200 company.

*"The Board of Ionic Rare Earths Limited is delighted to have attracted someone of Brett's calibre and experience to take on the role as Executive Chairman, and with me, lead the growth and strategic direction of the Company,"* Mr Tim Harrison, Managing Director of Ionic Rare Earths Limited, said.

*"It's important that Chairs and Directors have a meaningful stake in the company's growth and share price performance,"* he said.

Mr Lynch has committed to an initial placement in the Company, subject to the receipt of shareholder approval. As part of his sign-on terms, the Company will offer Mr Lynch the opportunity to purchase 83,333,333 fully paid ordinary shares ("Shares") at \$0.018 per Share (closing price on 23<sup>rd</sup> January 2024).

A summary of the material terms of Mr Lynch's engagement terms are provided in Appendix 1.

Authorised for release by the Board.

For enquiries, contact:

For Company

Tim Harrison

Ionic Rare Earths Limited

[investors@ionicre.com](mailto:investors@ionicre.com)

+61 (3) 9776 3434

For Media

Nigel Kassulke

Teneo

[Nigel.Kassulke@Teneo.com](mailto:Nigel.Kassulke@Teneo.com)

+61 (0) 407 904 874

For Investor Relations

Peter Taylor

NWR Communications

[peter@nwrcommunications.com.au](mailto:peter@nwrcommunications.com.au)

+61 (0) 412 036 231

## 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, moving to 94% ownership in H1 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 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 mining licence which was awarded in January 2024. 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.

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 three-pillar strategy completes the circular economy of sustainable and traceable magnet and heavy rare earth products needed to supply applications critical to electric vehicles, 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.

## Appendix A – Summary of Key Terms & Conditions of Executive Chairman Appointment

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| Commencement Date:   | 25 January 2024                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Term:                | The Services Agreement will commence on 25 January 2024 ("Commencement") and continue until 31 December 2025 or as otherwise stated or agreed. It is anticipated that a new services agreement will be negotiated beyond this period.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Base salary          | \$35,000 per month (\$420,000 per annum) inclusive of superannuation.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Sign On Incentives   | Under the Services Agreement as part of a sign-on bonus, subject to the receipt of shareholder approval: <ol style="list-style-type: none"> <li>the Company will offer Mr Lynch the opportunity to purchase 83,333,333 Shares at \$0.018 per Share; and</li> <li>Mr Lynch will be issued 10,000,000 Shares on commencement.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Termination          | Company or Executive initiated termination by notice of 3 months' notice in writing. A payment in lieu of notice may be made at the Company's discretion. Termination due to misconduct may also be made without notice.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Long Term Incentives | Under the Services Agreement, subject to the receipt of shareholder approval, the Company will offer Mr Lynch 30,000,000 Director Performance Rights. These Director Performance Rights will vest as follows: <ol style="list-style-type: none"> <li>10,000,000 Director Performance Rights will vest on the 12-month anniversary of Commencement;</li> <li>3,000,000 Director Performance Rights will vest upon successfully securing any offtake for the Makuutu product;</li> <li>3,000,000 Director Performance Rights will vest upon the Company's Board making a Financial Investment Decision to progress the Makuutu Project to construction;</li> <li>3,000,000 Director Performance Rights will vest upon the Makuutu Demonstration Plant producing more than 30 tonnes of Mixed Rare Earth Carbonate (MREC) at the target product specification;</li> <li>5,000,000 Director Performance Rights will vest upon successfully securing a strategic partnering investment within the Company or Makuutu;</li> <li>3,000,000 Director Performance Rights will vest upon successfully securing offtake, or a strategic partnering investment within Ionic Technologies; and</li> </ol> |

- g. 3,000,000 Director Performance Rights will vest upon Financial Investment Decision to progress a commercial magnet recycling plant with Ionic Technologies.

Each Director Performance Right entitles the holder to subscribe for one Share upon satisfaction of the vesting condition (defined above). Further details will be set out in the notice of meeting convening the meeting seeking shareholder approval for the issue of securities in the Company mentioned above.