

RareX Commences Scoping Study on Cummins Range Critical Metals Project, WA

Recent positive developments with resource drilling prompt expanded development scope

HIGHLIGHTS

- Scoping Study now in full swing with key consultants appointed
- Scoping Study being led by RareX's General Manager of Projects, James Durrant
- Aim is to test the financial sensitivity and scale of a proposed on-site processing facility
- Key project expansion opportunities to be incorporated, following recent drilling success
- RareX targeting Q1, 2022 for release of the Scoping Study

RareX Limited (ASX: REE; **RareX** or **the Company**) is pleased to advise that it has commenced a Scoping Study to evaluate the commercial development potential of its flagship 100%-owned Cummins Range Critical Metals Project (**the Project** or **Cummins Range**) in Western Australia's Kimberley region.

The Project has recently seen a number of exciting developments in resource drilling, with deeper diamond drilling significantly expanding the mineralisation at depth and along key geological structures¹. Importantly, this drilling has confirmed that significant massive monazite crystals are present in the fresh rock, demonstrating the enormous opportunity to expand the scale of the Project.

This improvement in the geological and resource understanding, coupled with the appointment of General Manager of Projects, Mr James Durrant², has led to RareX reviewing the scope and timing of the Scoping Study to take advantage of the current Resource, improve pit optimisation and advance metallurgical understanding across the ore domains. The recently updated Mineral Resource of 18.8Mt at 1.15% TREO + 0.14% Nb₂O₅ is comprised of an Indicated Resource of 11.1 million tonnes at 1.34% TREO + 0.17% Nb₂O₅ and an Inferred Resource of 7.7 at 0.88% TREO+ 0.11% Nb₂O₅ (0.5% TREO cut-off)³.

RareX is targeting Q1 2022 to release the Scoping Study giving the time required to continue to develop the Resource and integrate this with metallurgy and processing design.

¹ ASX Announcement 23 September 2021: *More Primary High-grade Rare Earths Mineralisation*

² ASX Announcement 15 June 2021: *RareX Strengthens its Executive Team with Key Appointments*

³ ASX Announcement 19 July 2021: *RareX delivers major resource upgrade at Cummins Range Rare Earths Project, WA*

Project strategy

The Scoping Study has been refined in scope to focus on the following key objectives in order to test the financial sensitivity and scale of a proposed facility:

1. Resource optimisation and geo-metallurgical modelling
2. Balanced metallurgical understanding
3. Product definition
4. Environmental approvals and impacts
5. Stakeholder engagement and social impacts

To support the Scoping Study, RareX has assembled a team of appropriately experienced consultants as shown in the table below. This team is capable of delivering the study, future and further defined studies and supporting project execution.

Consultant	Scope
Gavin Beer	Rare Earth Element, metallurgical and general technical counsel
Primero	Lead consultant; process design and cost estimation
METS Group	Metallurgical programme lead
Mining Plus	Pit design, pit optimisation mining method
AMC	Geometallurgical modelling
Animal Plant Resources	ESG integration, stakeholder engagement, approvals and permitting
Advisian	Hydrogeology
PWC	ESG integration

Resource optimisation and geo-metallurgical modelling

With the continuation of resource drilling and the re-interpretation of the Resource, the scope of chemical, mineral and metallurgical investigations has increased.

The Resource is being re-defined with additional domains and, in conjunction with geometallurgical modelling, will allow for an improved understanding of metallurgical performance in each domain and sub-domain.

The integration of geological, geotechnical, mining, metallurgical, environmental and economic information will help maximize the Net Present Value (**NPV**) of the Project and can continually be applied and advanced to minimize future technical and operational risk.



Metallurgical understanding

The metallurgical programme – led by METS Group, with Gavin Beer as technical counsel and leading laboratories in support – has worked methodically through early testing.

The programme for the Scoping Study must define likely metallurgical processing steps but is not designed to optimise recovery. The team will work to an optimal programme for the stage of study and identify key development areas for subsequent phases.

Product definition

The Cummins Range Critical Metals Project has an array of strategic metals within the Resource which are likely to add to the value-in-use of the product and may form discrete by-products in their own right. The product suite is notionally:

- Rare Earths Elements – principally Neodymium and Praseodymium
- Niobium
- Scandium

RareX has set out to define the simplest product that will facilitate a commercially viable project as a base case for project definition. To achieve this, the metallurgical and marketing teams are working together with potential off-taker requirements.

Feedback on technical viability and pricing is iterated into the plant design to confirm the base case. From this platform the team will be able to optimize the product specifications with additional plant facilities, principally by way of upgrade modules, to produce the preferred product.

Environmental approvals and impacts

RareX is defining a clear pathway for approvals, permitting and stakeholder engagement which is of particular importance in the Kimberley and with the Jaru as Traditional Owners. The Project is likely to remain entirely within Western Australia and will be assessed within the framework of WA legislation as well as being considered under the Commonwealth *Environmental Protection and Biodiversity Conservation Act 1999*.

The Project area is on relatively flat, open shrubland and tussock grassland, within the Kimberley and within a Native Title Determination Area. Hydrogeological investigations are underway and baseline investigations across social and environmental aspects have been scoped and made ready for investigation early in 2022.

Stakeholder engagement and social impacts

The regional stakeholders have been identified and a stakeholder engagement roadmap is being developed. The nearest community is Billiluna (population c. 150) and, when possible, the project team has been prioritising recruitment from this community, other local communities and the Halls Creek township.



RareX continues to have positive engagement with the Kimberley Land Council, the Jaru and with the station owners in the Project area as well as a number of key stakeholders including shire councils and industry groups along the likely supply chain between the Project site and Wyndham Port.

RareX is operating under a Native Title Heritage Protection and Mineral Exploration Agreement with the KLC in relations to Jaru lands (**Agreement**).

The Agreement provides a cooperative framework under which the Company can conduct activities on tenements granted on Jaru land and provides for community benefits to the Jaru people.

Additionally, and following on from the release of the RareX ESG Framework⁴ activities on site are monitored to develop a baseline from which we can establish improvement initiatives to further integrate with local communities and to reduce adverse the environmental and social impact of the Project at any given development stage.

This announcement has been authorised for release by the Board of RareX Limited.

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Competent Person's Statement

The mineral resource estimate in this announcement were reported by the Company in accordance with listing rule 5.8 on 19 July 2021. The Company confirms it is not aware of any new information or data that materially affects the information included in the previous announcement and that all material assumptions and technical parameters underpinning the estimates in the previous announcement continue to apply and have not materially changed.

⁴ ASX Announcement 8 September 2021: *RareX releases its ESG Framework*