

20 February 2026

## ~\$1M IPCM grant instalment received; Koppamurra PFS and Pilot Plant on Track

### Highlights:

- **~\$1 million grant instalment received:** International Partnerships in Critical Minerals (IPCM) funding received, supporting continued advancement of the Koppamurra Rare Earth Project and reinforcing confidence in AR3's delivery momentum.
- **Metallurgical optimisation program progressing strongly:** Heap leach optimisation testwork continues to deliver encouraging improvements in leach kinetics, recoveries and reagent efficiency in partnership with ANSTO.
- **Flowsheet refinement advancing:** Ongoing metallurgical work continues to strengthen and de-risk key processing parameters ahead of pilot-scale operations.
- **Pre-Feasibility Study (PFS) nearing completion:** PFS remains on track for release during Q2 2026, supported by an increasingly robust technical dataset.
- **Pilot plant program scheduled to commence Q2 2026:** Pilot plant operations planned to process ~30 tonne of clay producing a high quality **Mixed Rare Earth Oxide (MREO)** for downstream qualification and engagement.
- **Key permitting milestone progressing:** Mining Lease application remains on track for submission in 2026, supporting the broader project development timeline.
- Engage with this announcement at the AR3 [investor hub](#).

### AR3 Managing Director and CEO, Travis Beinke, commented:

*"The receipt of the \$1million IPCM grant instalment is another reinforcing validation of the progress we are making at Koppamurra and reflects continued Federal Government support for the development of a new Australian rare earth supply source.*

*At the same time, our metallurgical optimisation program with ANSTO continues to deliver meaningful improvements across the flowsheet. Recent heap leach testwork has demonstrated encouraging gains in leach kinetics, recoveries and reagent efficiency, further strengthening the technical foundation of the project.*

*With the Pre-Feasibility Study nearing completion, pilot plant operations scheduled to commence in Q2 2026 and our Mining Lease application preparation progressing, Koppamurra is advancing on multiple fronts.*

*We are systematically de-risking the project through disciplined technical work, while positioning AR3 to produce Mixed Rare Earth Oxide for downstream qualification and customer engagement. We look forward to sharing further milestones as we continue Koppamurra's momentum towards delivering Australia with critical minerals for our future."*

**Australian Rare Earths Limited (ASX: AR3)** is pleased to announce it has received a further **\$960,000 progress instalment** from the Australian Government under the **International Partnerships in Critical Minerals (IPCM) Program**, as the Company continues to advance its flagship Koppamurra Rare Earths Project toward key development milestones in 2026.

This latest instalment takes total IPCM grant funding received to date to **\$2.75 million**, with a further **\$2.25 million scheduled to be received during the balance of 2026** under AR3's **\$5 million IPCM grant award**.

### **Momentum building at Koppamurra**

The Company has made strong progress across core technical and approvals workstreams, with **metallurgical testwork optimisation nearing completion** and the **flowsheet design finalised**, marking a major de-risking milestone for the project as it moves toward the next stage of development.

AR3's **Pre-Feasibility Study (PFS)** is now in its final stages and is expected to be released in Q2 2026, providing the market with detailed project economics, development pathway and key technical outcomes.

In parallel, AR3 is preparing to commence a **pilot plant program in Q2 2026**, intended to process approximately **30 tonnes of clay and producing a high quality MREO product**, supporting downstream engagement and further technical validation.

AR3 also is progressing preparation for an initial **Mining Lease application and remains on track**, with submission targeted in 2026.

### **Government backing meets accelerating rare earths thematic**

AR3 believes the rare earths thematic continues to strengthen rapidly, driven by global policy shifts, defence and energy transition demand, and the strategic urgency to establish diversified and secure supply chains.

The Company notes increasing government support for critical minerals, including recent announcements confirming rare earths as one of the first minerals to be included in Australia's **Critical Minerals Strategic Reserve**, which further highlights the importance of advanced, high-quality rare earth projects in Australia.

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The announcement has been authorised for release by the Board of Australian Rare Earths Limited.

#### **For further information please contact:**

##### **Australian Rare Earths Limited**

Travis Beinke  
Managing Director and CEO  
T: 1 300 646 100

##### **Media Enquiries**

Jessica Fertig  
Tau Media  
E: [info@taumedia.com.au](mailto:info@taumedia.com.au)

**Engage and Contribute at the AR3 investor hub:** <https://investorhub.ar3.com.au/>

## **About Australian Rare Earths Limited**

*Australian Rare Earths (AR3) is an emerging diversified critical minerals company, strategically positioned to meet the growing global demand for uranium and rare earth elements:*

- *AR3's Koppamurra Rare Earths Project in South Australia and Victoria is a significant deposit of light and heavy rare earths, which has secured important Australian government support through a \$5 million grant to accelerate development. With support from global advanced industrial materials manufacturer, Neo Performance Materials, AR3 is progressing toward a Pre-Feasibility Study and a demonstration facility, solidifying its role in diversifying global rare earth supply chains for the clean energy transition.*
- *AR3's large ~8,000 km<sup>2</sup> Overland Uranium Project in South Australia shows strong uranium discovery potential, with initial drilling identifying opportunities for substantial near-surface and deeper deposits.*

*With strategic projects and strong government support, AR3 is poised for significant growth in the critical minerals market.*