Announcement Summary

Entity name

AUSTRALIAN RARE EARTHS LIMITED

Date of this announcement

Thursday November 12, 2026

The +securities the subject of this notification are:
Other

Total number of +securities to be issued/transferred

ASX +security code	Security description	Total number of +securities to be issued/transferred	Issue date
New class - code to be confirmed	Unlisted Option exercisable at $0.14 and expiring 12 November 2029	3,000,000	12/11/2026

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of entity

AUSTRALIAN RARE EARTHS LIMITED

We (the entity named above) give notice of the issue, conversion or payment up of the following unquoted +securities.

1.2 Registered number type

ACN

Registration number

632645302

1.3 ASX issuer code

AR3

1.4 The announcement is

New announcement

1.5 Date of this announcement

12/11/2026

Part 2 - Issue details

2.1 The +securities the subject of this notification are:
Other

Please specify

Options issued to Directors following shareholder approval at Company AGM 12 November 2026.

2.2a This notification is given in relation to an issue of +securities in a class which is not quoted on ASX and which:
does not have an existing ASX security code ("new class")

Part 3C - number and type of +securities the subject of this notification (new class)

New +securities

ASX +security code

New class - code to be confirmed

+Security description

Unlisted Option exercisable at $0.14 and expiring 12 November 2029

+Security type

Options

ISIN code

Date the +securities the subject of this notification were issued

12/11/2026

Will all the +securities issued in this class rank equally in all respects from their issue date?

Yes

Have you received confirmation from ASX that the terms of the +securities are appropriate and equitable under listing rule 6.1?

Yes

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities being issued.

https://ar3.com.au/announcements/1gaoZa-notice-of-annual-general-meeting-proxy-form

Options Details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.14000000

Expiry date

12/11/2029

Details of the existing class of +security that will be issued upon exercise or conversion of this new class of company option

AR3 : ORDINARY FULLY PAID

Any other information the entity wishes to provide about the +securities the subject of this notification

Please provide any further information needed to understand the circumstances in which you are notifying the issue of these +securities to ASX, including why the issue of the +securities has not been previously announced to the market in an Appendix 3B

Options issued following Shareholder approval.

Issue details

Number of +securities

3,000,000

Were the +securities issued for a cash consideration?

No

Please describe the consideration being provided for the +securities

Options issued to Directors following Shareholder approval at Company's AGM.

Purpose of the issue

Other

Additional Details

Part 4 - +Securities on issue

Following the issue, conversion or payment up of the +securities the subject of this notification, the +securities of the entity will comprise:

The figures in parts 4.1 and 4.2 below are automatically generated and may not reflect the entity's current issued capital if other Appendix 2A, Appendix 3G or Appendix 3H forms are currently with ASX for processing.

4.1 Quoted +securities (Total number of each +class of +securities issued and quoted on ASX)

ASX +security code and description	Total number of +securities on issue
AR3 : ORDINARY FULLY PAID	256,909,776

4.2 Unquoted +securities (Total number of each +class of +securities issued but not quoted on ASX)

ASX +security code and description	Total number of +securities on issue
AR3AV : PERFORMANCE RIGHTS	33,058,179
AR3AAB : OPTION EXPIRING 21-APR-2029 EX $0.2775	18,189,194
AR3AN : OPTION EXPIRING 02-DEC-2026 EX $0.4971	1,550,000
AR3AR : OPTION EXPIRING 26-NOV-2027 EX $0.4321	1,808,333
AR3AS : OPTION EXPIRING 26-NOV-2026 EX $0.3671	1,500,000
AR3AT : OPTION EXPIRING 26-NOV-2026 EX $0.4971	1,500,000
AR3AZ : OPTION EXPIRING 26-NOV-2028 EX $0.325	3,000,000
AR3AX : OPTION EXPIRING 30-MAR-2029 EX $0.10	15,569,695
AR3AU : OPTION EXPIRING 20-DEC-2026 EX $0.4710	1,500,000
AR3AA : OPTION EXPIRING 29-JUL-2030 EX NIL	603,950
AR3AY : OPTION EXPIRING 30-SEP-2029 EX NIL	1,062,894
New class - code to be confirmed : Unlisted Option exercisable at $0.14 and expiring 12 November 2029	3,000,000

Part 5 - Other Listing Rule requirements

5.1 Were the +securities issued under an exception in Listing Rule 7.2 and therefore the issue did not need any security holder approval under Listing Rule 7.1?
No

5.2 Has the entity obtained, or is it obtaining, +security holder approval for the issue under listing rule 7.1?
Yes

5.2a Date of meeting or proposed meeting to approve the issue under listing rule 7.1

12/11/2026