DECEMBER 2024 QUARTERLY REPORT

Brazilian Rare Earths Limited (ASX:BRE) ('BRE') is pleased to provide its quarterly report for the period ended 31 December 2024. Key highlights during and subsequent to the end of the quarter included:

Record Exploration Success Continues at Monte Alto

- Ultra-high-grade rare earth intercepts up to 45.7% TREO, with standout grades of NdPr (69,558 ppm) and DyTb (11,696 ppm)
- New record assays for niobium (1.7% Nb_2O_5) and tantalum (962 ppm Ta_2O_5) with very-high grades of scandium (382 ppm Sc_2O_3) and uranium (5,781 ppm U_3O_8)
- Exploration increased the continuity, depth and scale of the ultra-high-grade REE-Nb-Sc-Ta-U mineralised envelope, that remains open along strike and at depth
- Drilling extended the large horizons of high-grade, shallow monazite-sand mineralisation, including intercepts of 18m at 6.8% TREO from surface

District-Scale Growth Potential at Monte Alto

- Airborne magnetics revealed the potential for a larger, interconnected high-grade mineralised system extending over 4 km beyond the maiden Monte Alto deposit
- Multiple new regional discoveries, including high-grade rare earth outcrops of up to 14.6% TREO, rich in heavy rare earth elements dysprosium (5,691 ppm), terbium (737 ppm) and yttrium (74,543 ppm)

Outstanding Mineralogy and Metallurgy Results

- Chevkinite confirmed as the dominant mineral in the REE-Nb-Sc-Ta-U mineralisation, hosting exceptional grades of rare earths, niobium, tantalum, scandium and uranium
- Metallurgical test work on non-beneficiated 'run-of-mine' chevkinite achieved up to 94% TREO 'extraction' under mild acid and atmospheric leach conditions

Strategic Critical Minerals Portfolio

- High-grade tantalum (up to 880 ppm) added to rare earths, niobium, scandium, and uranium endowment
- Monte Alto has 18 of the 50 U.S. designated 'critical minerals' at high grades

Permitting Milestone

- Permitting progressed with approval of the Final Exploration Report for Monte Alto
- Final Exploration Reports for 20 additional licences (324 km²) across the Rocha da Rocha Province, for a combined total of 348 km²

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Record Exploration Success Continues at Monte Alto

Successful exploration drilling results expanded the known strike, continuity, and depth of ultra-high-grade rare earth mineralisation at Monte Alto.

Exceptional rare earths grades of up to 45.7% TREO were returned, which is now the highest-grade rare earth assay at Monte Alto so far. Ultra-high grades of neodymium and praseodymium of up to 69,558 ppm NdPr and exceptional heavy rare earths grades of dysprosium and terbium of up to 11,696 ppm DyTb were also intersected in the drill results.[1]

The latest drilling sets new exploration assay records for niobium at 1.7% Nb_2O_5 and for tantalum at 962 ppm Ta_2O_5. Very high grades of up to 382 ppm Sc_2O_3 and 5,781 ppm U_3O_8 were returned.

The new drilling also delineated a series of stacked, continuous horizons of REE-Nb-Sc-Ta-U mineralisation across a geological fold connecting the southern and northern domains of the Monte Alto deposit.

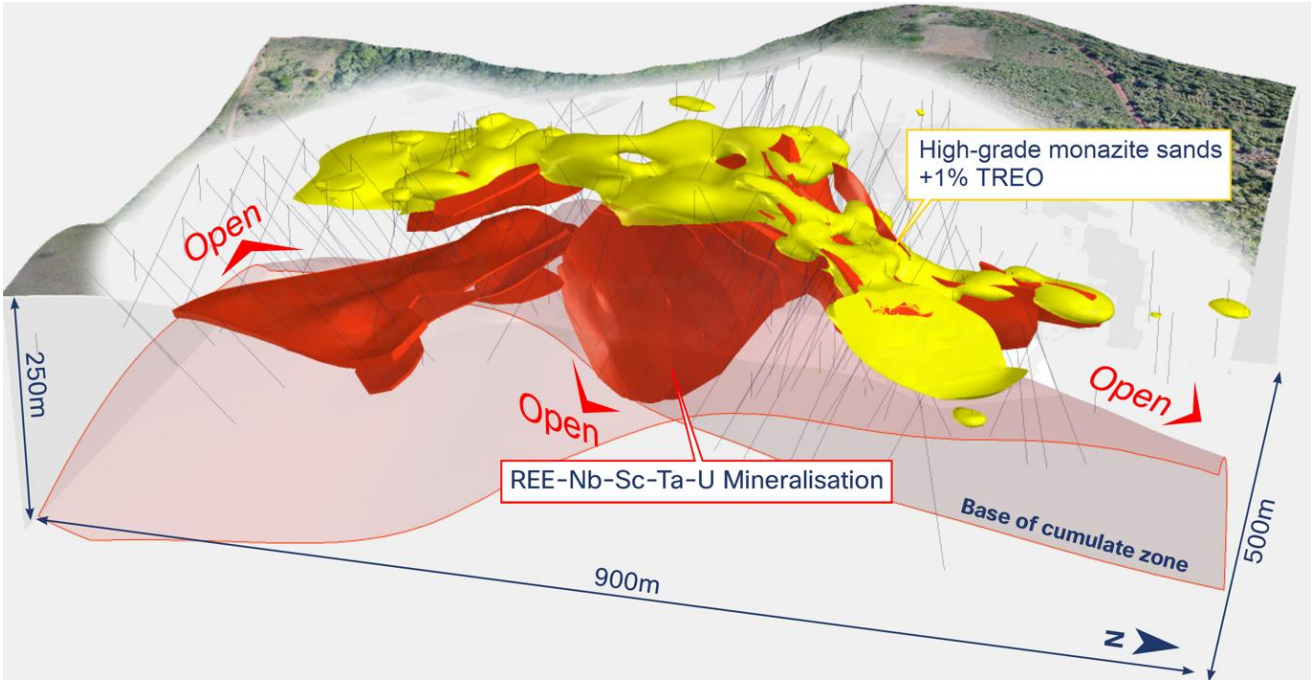


Figure 1: Monte Alto deposit with high-grade monazite sands overlaying the hard rock REE-Nb-Sc-Ta-U mineralisation – Oblique View to the Southwest

The best exploration result was diamond drill hole MADD0101, a continuous 28.8 metres (true-width) ultra-high-grade 18.5% TREO intercept starting from just 10 metres of depth. This wide drill intercept returned:

- **37m at 16.1% TREO from** 10m: 23,476 ppm NdPr, 1,157 ppm DyTb, 4,637 ppm Nb_2O_5, 108 ppm Sc_2O_3, 316 ppm Ta_2O_5, and 1,965 ppm U_3O_8 (MADD0101), including:
  - **29m at 18.5% TREO** from 10m: 27,071 ppm NdPr, 1,293 ppm DyTb, 5,127 ppm Nb_2O_5, 122 ppm Sc_2O_3, 350 ppm Ta_2O_5, and 2,205 ppm U_3O_8 (MADD0101), including:
  - **7.1m at 35% TREO** from 21.9m: 56,681 ppm NdPr, 2,522 ppm DyTb, 8,628 ppm Nb_2O_5, 237 ppm Sc_2O_3, 582 ppm Ta_2O_5, and 4,063 ppm U_3O_8 (MADD0101)

[1] Refer ASX Announcements dated 21 January 2025. The Company is not aware of any new information or data that materially affects the information contained in the referenced ASX Announcement.

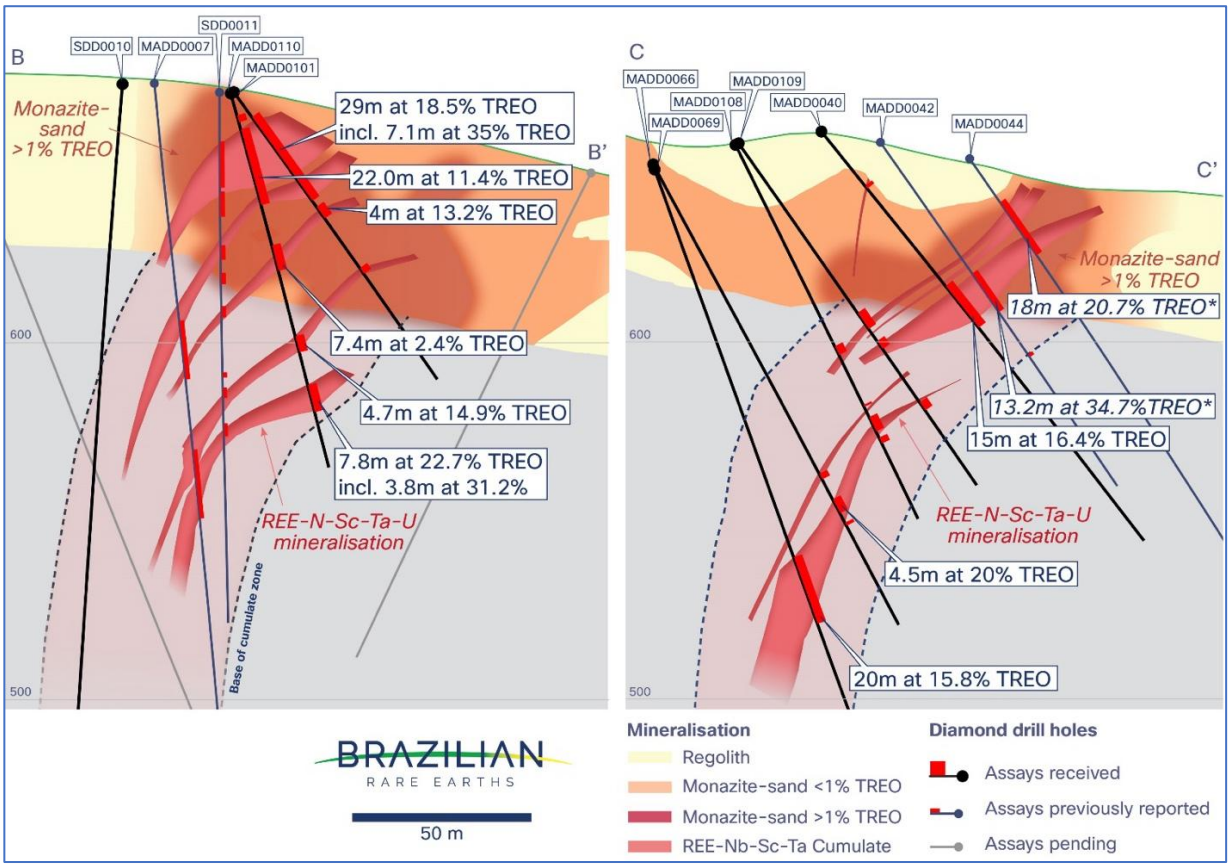


Figure 2: Cross section view to the northeast at the southern end of Monte Alto - highlighting multiple stacked high-grade REE-Nb-Sc-Ta-U horizons, below the high-grade monazite-sand cap

Exceptional Mineralogy Confirmed at Monte Alto

Metallurgical and mineralogy studies on Monte Alto's ultra-high grade REE-Nb-Sc-Ta-U mineralisation delivered highly successful results.[2]

Monte Alto's REE-Nb-Sc-Ta-U mineralisation reported weighted average rare earth grades of 16.4% TREO[3], including rare earth grades of 27,063 ppm NdPr and heavy rare earths average grades of 1,327 ppm DyTb. Mineralogical studies by SGS Laboratories and ANSTO Minerals provided important new insights into this ultra-high grade mineralisation:

- 'Chevkinite' confirmed to be the dominant mineral in Monte Alto's ultra-high grade REE-Nb-Sc-Ta-U mineralisation
- Chevkinite is a REE-Ti-Fe sorosilicate mineral, containing very high concentrations of rare earths, niobium, tantalum, scandium, tantalum and uranium
- Until the recent discovery of Monte Alto, chevkinite was overshadowed by lower grade and more refractory rare earth minerals such as monazite and xenotime
- Monte Alto's chevkinite mineralisation is distinguished for its remarkable scale, with the deposit currently mapped over a strike length of 1 km and true drilling intercepts reaching up to 28 meters in true width
- Monte Alto's chevkinite is coarse-grained with over 80% of the chevkinite grains 'sand-sized', and only a negligible amount in the sub-38 µm 'slimes' size fraction

[2] Refer ASX Announcement dated 26 November 2024. The Company is not aware of any new information or data that materially affects the information contained in the referenced ASX Announcement.

[3] TREO = Total Rare Earth Oxides; NdPr = Nd_2O_3 + Pr_6O_{11}; DyTb = Dy_2O_3 + Tb_4O_2

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Excellent Metallurgical Test Results

Metallurgical test work on non-beneficiated 'run-of-mine' mineralisation delivered excellent results, with 'extractions' of up to 94% TREO[2], under atmospheric pressures and mild acid concentrations. This simple leaching method has the potential to attain higher total product yields at lower capital and operating costs than alternative processing pathways.

Metallurgical studies conducted by ANSTO Minerals delivered excellent results:

- **Superior leachability:** "Run-of-mine" chevkinite leaches more readily than 'refractory' monazite mineralisation, at lower temperatures and mild acid concentrations
- **High extraction efficiency, up to 94% TREO:** Highly efficient recovery of total rare earth oxides, including more than 90% of critical NdPr
- **Rapid leaching kinetics, +90% extraction within 2 hours:** Faster leaching reduces residence time in processing tanks, with potential for smaller, less capital-intensive process equipment
- **Low-acid, atmospheric pressure leaching:** The use of diluted sulfuric acid under atmospheric pressure eliminates the need for specialised, expensive equipment, such as high-pressure autoclaves, reducing capital and operating costs
- **Non-acid-consuming gangue minerals:** The primary gangue mineral, amphibole, didn't consume acid during leaching

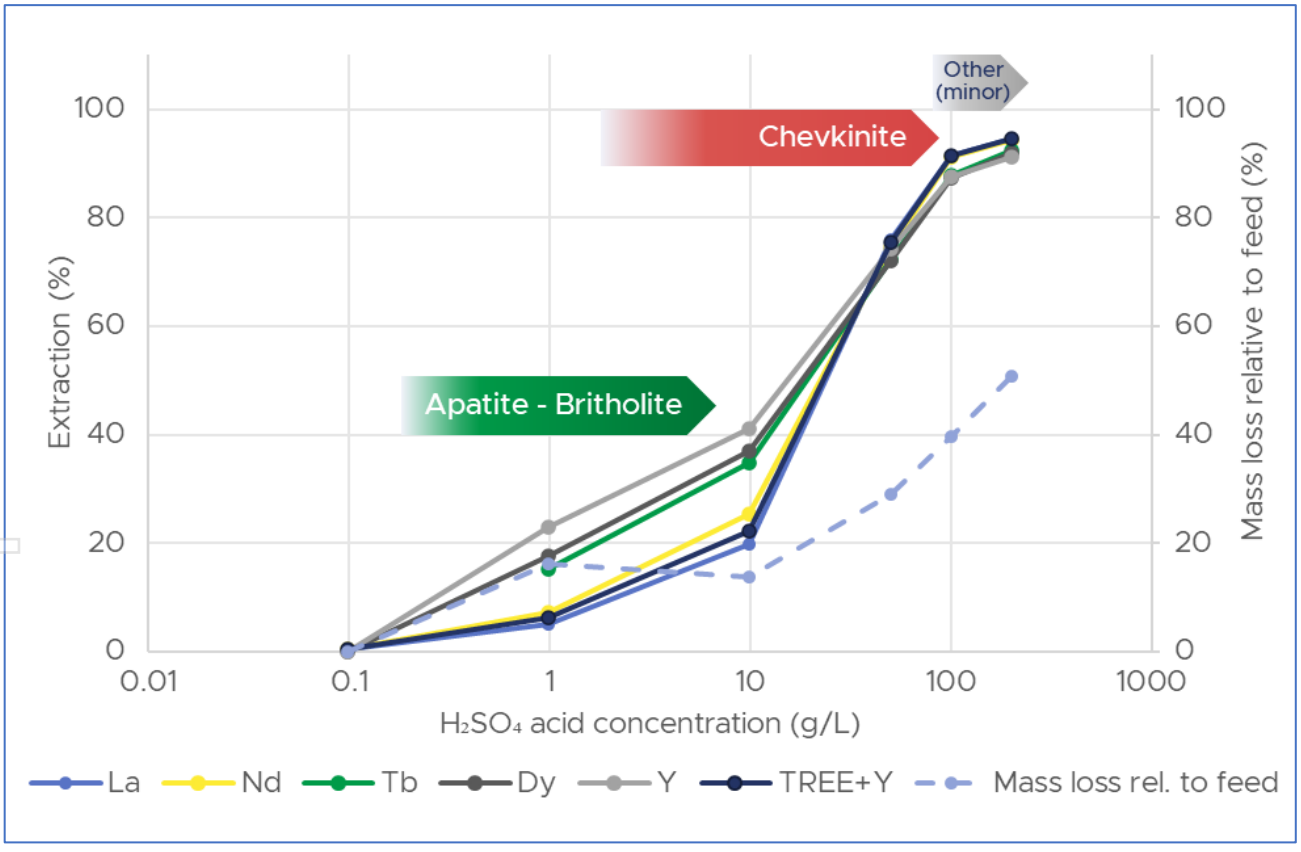


Figure 3: Extraction into solution versus initial leach acidity (4% solids density, 60°C, 45-minute intervals) Horizontal arrows indicate the approximate acid concentrations where mineral dissolution occurs

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District-Scale Exploration Success at Monte Alto

The Monte Alto project presents a compelling district-scale exploration opportunity, with a vast target zone extending more than 4 km from the maiden discovery deposit. The deposit's folded geometry and the presence of a continuous horizon of high-grade cumulate mineralisation suggest the potential for a large, interconnected mineralised system at district scale.

A systematic review of airborne magnetics identified a network of intense, parallel magnetic anomalies spanning the Monte Alto tenements. These anomalies connect the maiden deposit to highly prospective regional rare earth exploration zones that align with mafic cumulate horizons enriched in REE-Nb-Sc-Ta-U mineralisation.

Early exploration delivered remarkable results, including three key bedrock-hosted rare earth discoveries. Among these, a standout discovery located just 500 metres west of the maiden Monte Alto deposit, returned a grab sample assay of 10.2% TREO (R377), highlighting the potential for the high-grade mineralised system to extend westward.

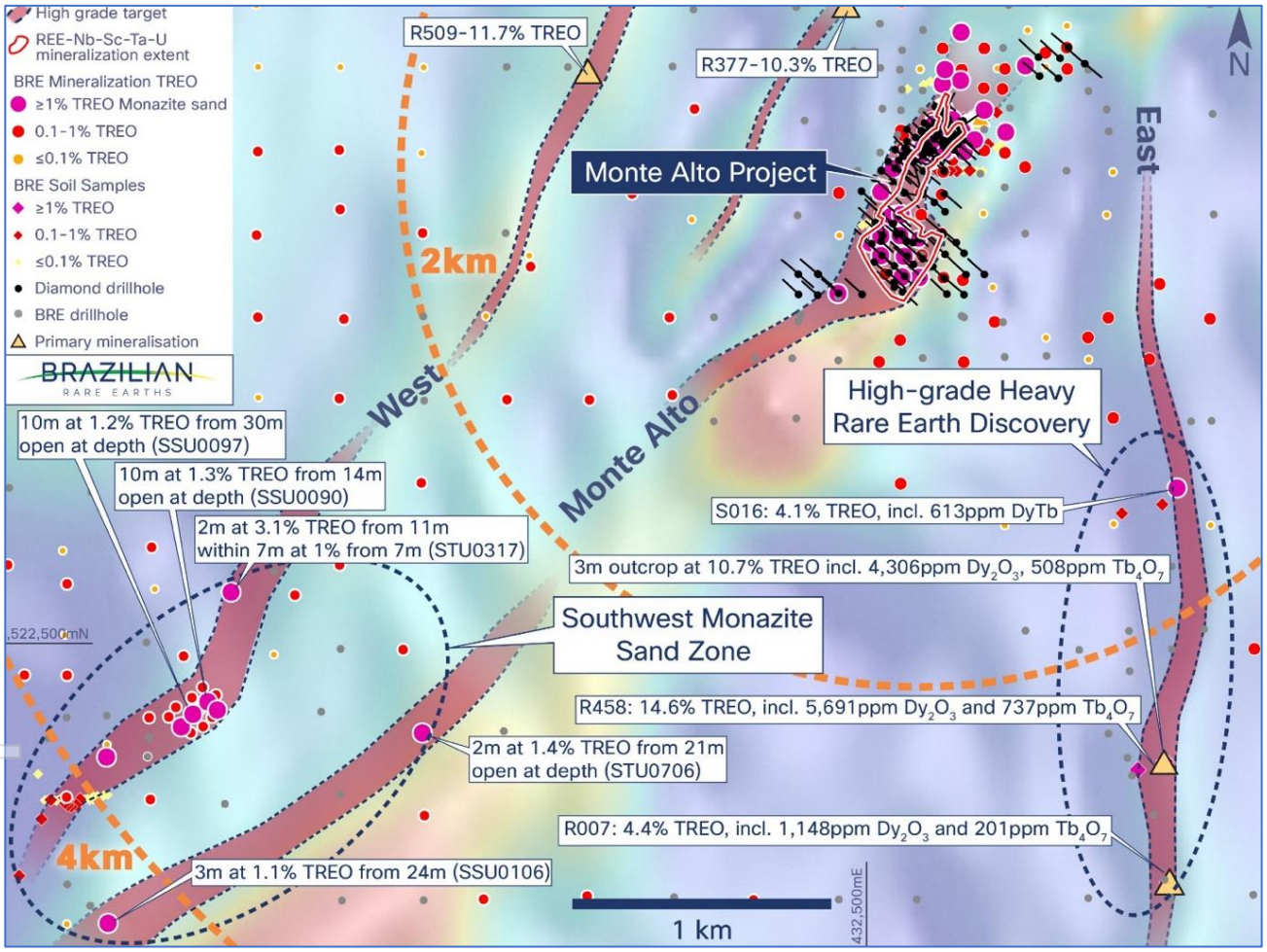


Figure 4: Monte Alto 'district-scale' rare-earth exploration corridors[4]

[4] Refer ASX Announcement dated 23 October 2024. The Company is not aware of any new information or data that materially affects the information contained in the referenced ASX Announcement.

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High-Grade, Heavy Rare Earth Discovery at Monte Alto East

South of the Monte Alto deposit, a prominent north-south magnetic and geophysical anomaly corridor extends for over 10 km. Within this corridor, just 2.5 km south of the maiden deposit, a large outcrop of high-grade rare earths was discovered that returned exceptional heavy rare earth grades of 7.5% HREO[5].

This outcrop sample (Sample R458) returned grades of:

- R458: **14.6% TREO**, with **5,691 ppm Dysprosium (Dy_2O_3)**, **737 ppm Terbium (Tb_4O_7)**, **74,543 ppm Yttrium (Y_2O_3)** and 2,313 ppm U_3O_8

Follow-up channel sampling across this outcrop returned high-grade assays:

- CH022 (2-4m): 10.1% TREO, with 4,062 ppm Dy_2O_3, 477 ppm Tb_4O_7, 48,497 ppm Y_2O_3, and 7,452 ppm NdPr
- CH023 (2-3m): 11.7% TREO, with 4,794 ppm Dy_2O_3, 570 ppm Tb_4O_7, 57,673 ppm Y_2O_3, and 8,229 ppm NdPr
- CH024 (1-2m): 8.4% TREO, with 3,103 ppm Dy_2O_3, 375 ppm Tb_4O_7, 37,345 ppm Y_2O_3, and 7,305 ppm NdPr
- CH025 (1-2m): 8.4% TREO, with 3,142 ppm Dy_2O_3, 381 ppm Tb_4O_7, 37,542 ppm Y_2O_3, and 7,286 ppm NdPr

The geophysical data, mapping, and high-grade exploration results have defined a 1.5 km-long mineralised trendline, extending south from the maiden Monte Alto deposit. This trend highlights the potential for a large, continuous high-grade mineralised system, with globally significant heavy rare earth grades.

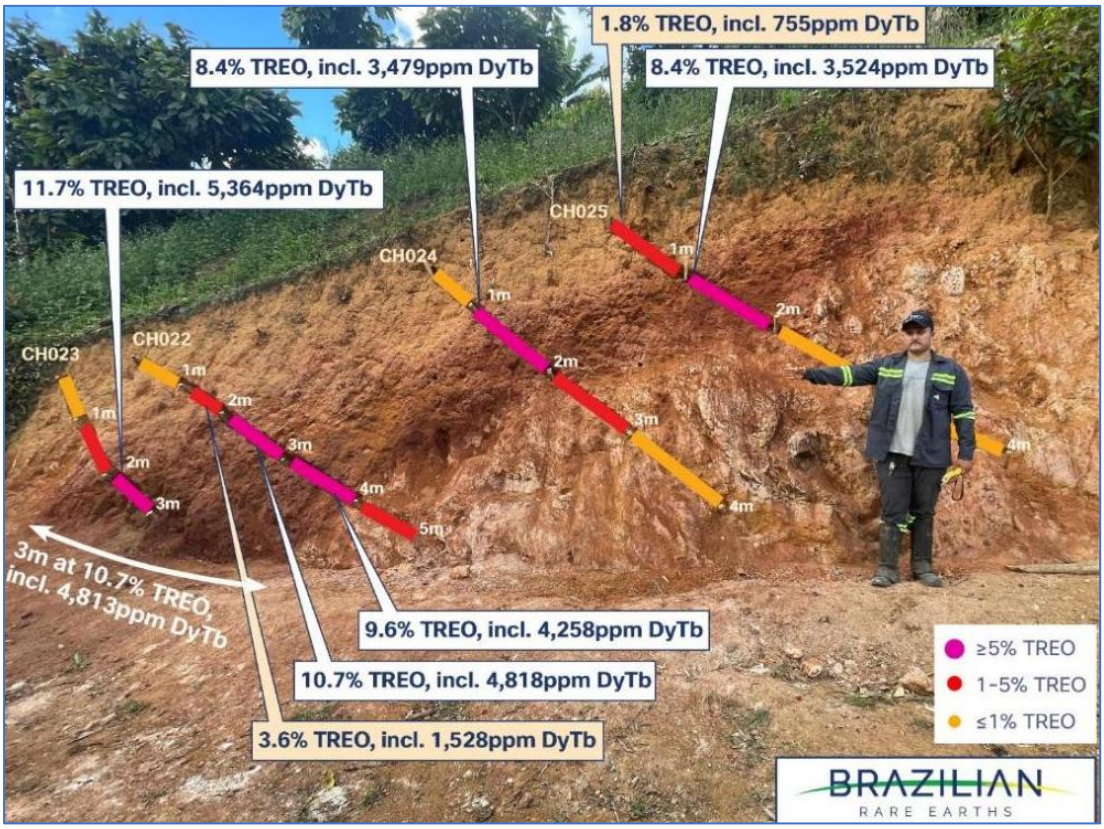


Figure 5: Ultra-high grade heavy rare earth mineralisation outcropping at Monte Alto East[4]

[5] HREO (Heavy Rare Earth Oxides) = Sm_2O_3 + Eu_2O_3 + Gd_2O_3 + Tb_4O_7 + Dy_2O_3 + Ho_2O_3 + Er_2O_3 + Tm_2O_3 + Yb_2O_3, + Y_2O_3 + Lu_2O_3

Monte Alto: High-Grade, Shallow Monazite-Sand Mineralisation

Diamond drilling delineated large horizons of high-grade monazite sand mineralisation that overlies the hard rock REE-Nb-Sc-Ta-U deposit. Key intercepts from the new drilling results included 18m at 6.8% TREO from surface, with 12,159 ppm NdPr and 533 ppm DyTb.[4]

The high-grade monazite-sand horizons extend from surface down to ~75m depth, and the higher grade (+1% TREO) zones can reach a cumulative thickness of up to ~30m.

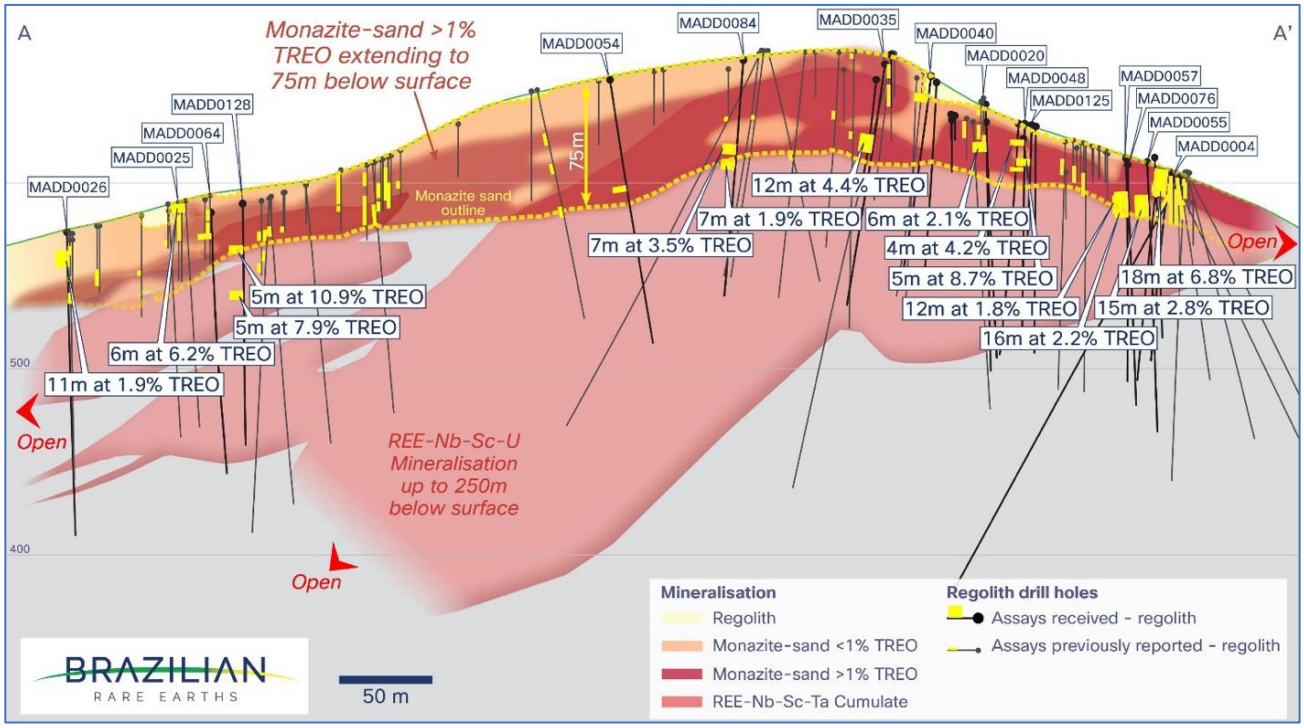


Figure 6: Long section view to the northwest of Monte Alto with latest high-grade monazite-sand intercepts

The shallow, high-grade intercepts reported at Monte Alto represent grains of monazite contained within a weathered free-dig saprolite lithology. This is analogous to a 'mineral sands' style deposit, with valuable free-dig mineral sands available near surface for potential extraction and gravity separation

High-grade Tantalum Assays at Monte Alto

Monte Alto reported very high-grade tantalum assays of up to 880 ppm and a weighted average tantalum grade of 305 ppm from 29 diamond core holes over 4,663 meters, for which BRE has previously reported REE-Nb-Sc-U assay results.[6]

The hard rock REE-Nb-Sc-Ta-U mineralisation at Monte Alto contains very-high grades of tantalum, neodymium, praseodymium, dysprosium, terbium, niobium, scandium, and uranium. The mineralisation also has high grades of the heavy rare earth elements gadolinium, lutetium, and erbium, alongside very-high grades of the heavy rare earth yttrium.

Of the 50 critical minerals identified by the United States as vital to economic and national security, 18 of these elements are found in very high concentrations in Monte Alto's deposit. These elements are classified as 'critical' by both the USA and EU due to their strategic importance to their economies and the vulnerability of global supply chains.

[6] Refer ASX Announcement dated 8 October 2024. The Company is not aware of any new information or data that materially affects the information contained in the referenced ASX Announcement.

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Permitting milestone at Monte Alto

The Brazilian Mines Department (ANM) approved the Final Exploration Report for the Monte Alto exploration licence during the quarter. This approval marks the commencement of the formal process to secure a Mining Permit for Monte Alto and BRE will prepare and submit an Economic Development Plan.

In addition to Monte Alto, BRE received ANM approvals for the Final Exploration Reports for 20 exploration licences across the Rocha da Rocha Province, covering an area of 324km^2. Combined with Monte Alto, these approvals cover 348km^2 of tenements.

The approvals include the southern extension of the Velhinhas trend, where the highest-grade outcrop sample at 40.5% TREO[7] was recorded. The central block of the ANM approvals, spanning 128 km², covers a chain of intense geophysical anomalies over Pelé Targets 2, 3, 4, and 5.

BRE Shares and ADR's commence trading on the OTCQX

BRE's fully paid ordinary shares (OTCQX: BRETF) and American Depositary Receipts Program (OTCQX: BRELY) commenced trading on the OTCQX market, effective 31 October 2024.

The OTCQX listing is designed to expand the reach of Brazilian Rare Earths within the North American capital markets. The ADR Program is a USD-denominated trading instrument that enables U.S. investors to buy shares in non-U.S. companies without the complexity of cross-currency transactions.

ASX – Additional Information

Exploration Properties – Rocha da Rocha Project Area

BRE's Rocha da Rocha Province consists of 267 granted exploration licences covering an area of ~4,268 km^2 registered with ANM. Refer to Schedule 1 for a full listing of granted exploration licences at 31 December 2024. BRE did not acquire or dispose of any granted exploration licences during the quarter.

During the December 2024 quarter, BRE's Brazilian subsidiary was registered as the owner of an additional 9 tenements, following the result of the 8th bidding round carried out by the ANM. Out of the 9 tenements (78.4 Km^2), 5 tenements have been granted exploration permits (53.45 Km^2), 3 tenements are in the mining application phase (20.48 Km^2), and 1 tenement (871.998/2024) is in the application for an exploration permit phase (4.48 Km^2).

Exploration Expenditures

During the quarter, BRE made the following payments for exploration activities:

Activity	A$'000
Drilling expenses including labour	2,903
Assaying costs	490
Technical studies	175
Personnel costs	1,868
Field supplies, equipment rental, vehicles, travel and other costs	1,552
Total quarterly exploration expenditures as reported in Appendix 5B	**6,988**

BRE made no payments for mine development or production activities during the quarter.

[7] Refer to prospectus dated 13 November 2023 and ASX Announcements dated 25 March 2024 and 11 June 2024 for the reported exploration results. The Company is not aware of any new information or data that materially affects the information contained in the Prospectus or the prior ASX Announcements.

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Related Party Payments

BRE made payments of A$578,759 to related parties and their associates. These payments include executive directors' remuneration, non-executive directors' fees and superannuation contributions totalling A$233,846 and A$344,913 paid to a subsidiary of Alpha Minerals Pty Ltd for drill-rig hire and management support services.

Information Required by Listing Rule 5.3.4

Schedule 2 provides a comparison of expenditure incurred in the period from 21 December 2023 (being the date the Company's securities commenced trading on the ASX) to 31 December 2024 in relation to the proposed Use of Funds disclosed in the Prospectus dated 13 November 2023.

End Notes

The information contained in this announcement relating to BRE's historical exploration results is extracted from, or was set out in, the following ASX announcements (Original ASX Announcements) which are available to view at BRE's website at www.brazilianrareearths.com:

1. *ASX Announcement dated 8 October 2024 "High-Grade Tantalum Assays at Monte Alto Project"*
2. *ASX Announcement dated 23 October 2024 "Exceptional Heavy Rare Earth Discovery at Monte Alto"*
3. *ASX Announcement dated 26 November 2024 "Successful Metallurgical Results from the Monte Alto Project"*
4. *ASX Announcement dated 12 December 2024 "Permitting Milestone at Monte Alto Project"*
5. *ASX Announcement dated 21 January 2025 "Record Rare Earth Grades at Monte Alto Project"*

BRE confirms that (a) it is not aware of any new information or data that materially affects the information included in the Original ASX Announcements and (b) in the case of the estimates of Mineral Resources, all material assumptions and technical parameters underpinning the estimates in the Original ASX Announcements continue to apply and have not materially changed.

This announcement has been authorised for release by the CEO and Managing Director.

For further information and enquiries please contact:

Bernardo da Veiga
MD and CEO

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bdv@brazilianrareearths.com

Sign up to our investor hub at investors.brazilianrareearths.com

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Forward-Looking Statements and Information

This Announcement may contain "forward-looking statements" and "forward-looking information", including statements and forecasts which include (without limitation) expectations regarding industry growth and other trend projections, forward-looking statements about the Rocha da Rocha Project, future strategies, results and outlook of BRE and the opportunities available to BRE. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "is expecting", "budget", "outlook", "scheduled", "target", "estimates", "forecasts", "intends", "anticipates", or "believes", or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might", or "will" be taken, occur or be achieved. Such information is based on assumptions and judgments of BRE regarding future events and results. Readers are cautioned that forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, targets, performance or achievements of BRE to be materially different from any future results, targets, performance or achievements expressed or implied by the forward-looking information.

Forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management of the Company. Key risk factors associated with an investment in the Company are detailed in Section 3 of the Prospectus dated 13 November 2023. These and other factors could cause actual results to differ materially from those expressed in any forward-looking statements.

Forward-looking information and statements are (further to the above) based on the reasonable assumptions, estimates, analysis and opinions of BRE made in light of its perception of trends, current conditions and expected developments, as well as other factors that BRE believes to be relevant and reasonable in the circumstances at the date such statements are made, but which may prove to be incorrect. Although BRE believes that the assumptions and expectations reflected in such forward-looking statements and information (including as described in this Announcement) are reasonable, readers are cautioned that this is not exhaustive of all factors which may impact on the forward-looking information.

The Company cannot and does not give assurances that the results, performance or achievements expressed or implied in the forward-looking information or statements detailed in this Announcement will actually occur and prospective investors are cautioned not to place undue reliance on these forward-looking information or statements.

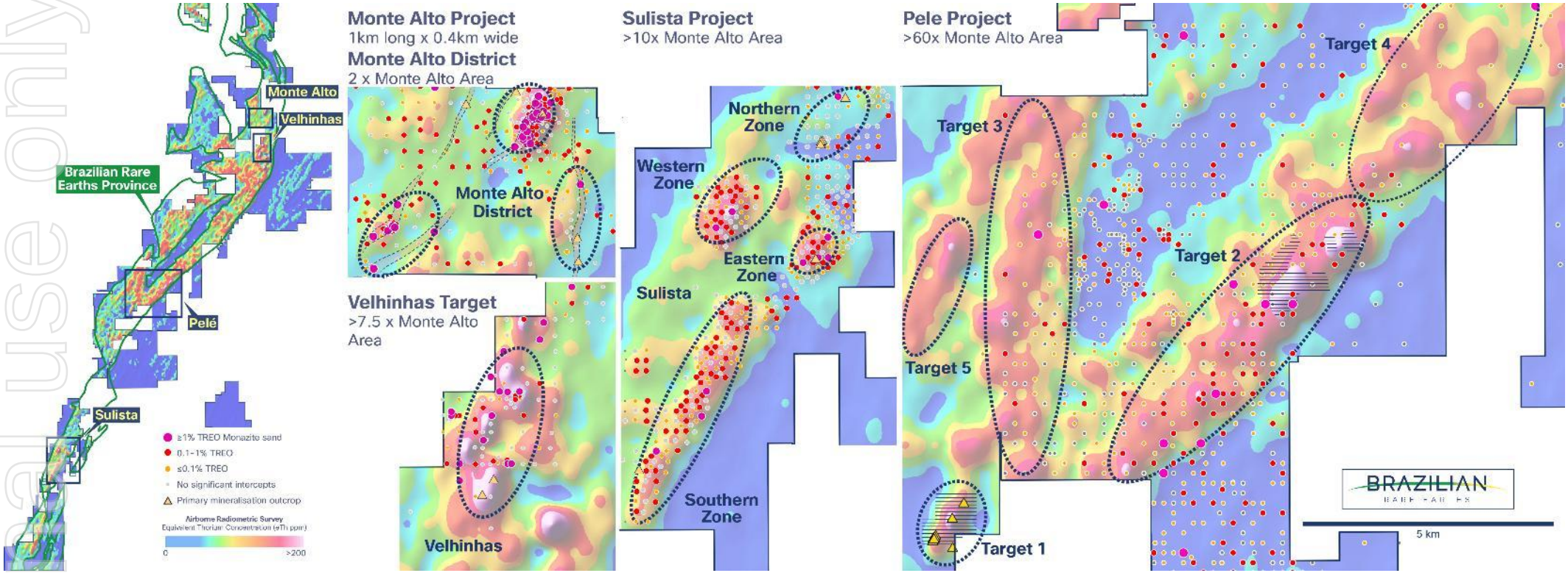
Competent Persons Statement

The information in this announcement that relates to Exploration Results and Mineral Resources is extracted from BRE's Prospectus dated 13 November 2023 and ASX Announcements dated 22 January 2024, 1 February 2024, 25 March 2024, 6 June 2024,11 June 2024, 26 August 2024, 8 October 2024, 23 October 2024, 12 December 2024 and 21 January 2025 ("Original ASX Announcements") which are available to view at BRE's website at www.brazilianrareearths.com. BRE confirms that a) it is not aware of any new information or data that materially affects the information included in the Original ASX Announcements; b) in the case of the estimates of Mineral Resources, all material assumptions and technical parameters underpinning the estimates in the Original ASX Announcements continue to apply and have not materially changed; and c) the form and context in which the relevant Competent Persons' findings are presented in this report have not been materially changed from the Original ASX Announcements.

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Appendix A: BRE exploration projects[8]



[8] Refer BRE's Prospectus dated 13 November 2023 and ASX Announcements dated 22 January 2024, 1 February 2024, 25 March 2024, 6 June 2024,11 June 2024, 26 August 2024, 8 October 2024, 23 October 2024, 12 December 2024 and 21 January 2025 ("Original ASX Announcements"). The Company is not aware of any new information or data that materially affects the information contained in the Prospectus or the Original ASX Announcements.

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Schedule 1

Exploration Permits at 31 December 2024

As at 31 December 2024, BRE's Rocha da Rocha province comprised 267 granted exploration permits registered with Brazil's National Mining Agency covering an area of ~4,268 km^2.

All exploration permits are in Bahia, Brazil and are held by BRE's subsidiaries directly or are to be acquired through legally binding agreements with third parties.

During the December 2024 quarter, BRE's Brazilian subsidiary was registered as the owner of an additional 9 tenements, following the result of the 8th bidding round carried out by the ANM. Out of the 9 tenements (78.4 Km^2), 5 tenements have been granted exploration permits (53.45 Km^2), 3 tenements are in the mining application phase (20.48 Km^2), and 1 tenement (871.998/2024 not shown in the table below) is in the application for an exploration permit phase (4.48 Km^2).

Details of the granted exploration tenements at 31 December 2024 are included in the table below:

Exploration Permit Number	Area (ha)	Interest	Acquired during quarter (Yes, if acquired)	Notes
Alpha Minerals Brazil Participações Ltda.				
871.042/2021, 870.899/2017, 870.906/2017, 870.900/2017, 870.912/2017, 871.243/2021, 871.395/2017, 870.726/2016, 870.727/2016, 870.728/2016, 870.483/201, 870.484/2017, 871,164/2021, 870.717/2017, 871.394/2017, 871.144/2021	19,027.85	100%		2
Borborema Mineração Ltda.				
872.651/2013, 870.683/2021, 870.684/2021, 870.685/2021, 870.687/2021, 870.688/2021, 870.689/2021, 870.690/2021, 870.691/2021, 870.693/2021, 870.694/2021, 872.265/2021, 872.266/2021, 871.931/2022, 871.929/2022, 871.928/2022, 870.772/2021, 872.590/2023, 872.591/2023, 872.592/2021, 872.593/2021, 872.594/2021, 872.595/2021, 872.596/2023, 872.597/2023, 872.567/2023, 872.568/2023, 872.569/2023, 872.570/2023, 872.571/2023, 872.572/2023, 872.573/2023, 872.574/2023, 872.575/2023, 872.576/2023, 872.577/2023, 872.578/2023, 872.579/2023, 872.580/2023, 872.581/2023, 872.583/2021, 872.585/2023, 872.586/2023, 872.587/2023, 872.598/2023, 872.599/2023, 872.600/2023, 872.601/2023, 872.602/2023, 872.603/2023, 872.604/2023, 872.609/2023, 872.610/2023, 872.611/2023, 872.612/2023, 872.613/2023, 872.614/2023, 872.616/2023, 872.617/2023, 872.618/2023, 872.619/2023, 872.654/2023, 820.655/2023, 872.657/2023, 872.687/2023, 872.689/2023, 872.691/2023, 872.692/2023, 872.695/2023, 872.702/2023, 872.720/2023, 872.721/2023, 872.722/2023, 872.723/2023, 872.724/2023, 872.725/2023, 872.726/2023, 872.727/2023, 872.728/2023, 872.729/2023, 872.730/2023, 872.681/2023, 872.636/2023, 871.914/2023, 871.948/2023, 872.558/2023, 872.592/2023, 872.593/2023, 872.594/2023, 872.595/2023, 872.549/2023, 872.550/2023, 872.551/2023, 872.552/2023, 872.553/2023, 872.554/2023, 872.555/2023, 872.556/2023, 872.557/2023, 872.559/2023, 872.560.2023, 872.561/2023, 872.562/2023, 872.563/2023, 872.564/2023, 872.565/2023, 872.566/2023,872.567/2023, 872.568/2023, 872.570/2023, 872.573/2023, 872.574/2023, 872.575/2023, 872.621/2023, 872.622/2023, 872.623/2023, 872.624/2023, 872.625/2023, 872.626/2023, 872.627/2023, 872.628/2023, 872.629/2023, 872.630/2023, 872.631/2023, 872.632/2023, 872.635/2023, 872.637/2023, 872.638/2023, 872.639/2023, 872.640/2023, 872.641/2023, 872.642/2023, 872.688/2023, 872.692/2023, 872.694/2023, 872.696/2023, 872.697/2023, 872.698/2023, 872.699/2023, 872.700/2023, 872.701/2023, 872.703/2023, 872.704/2023, 872.705/2023, 872.706/2023, 872.707/2023, 872.711/2023, 872.712/2023,	287,728.44	100%		1

Exploration Permit Number	Area (ha)	Interest	Acquired during quarter (Yes, if acquired)	Notes
872.660/2023, 872.663/2023, 872.664/2023, 872.667/2023, 872.668/2023, 872.669/2023, 872.670/2023, 872.671/2023, 872.672/2023, 872.673/2023, 872.674.2023, 872.675/2023, 872.676/2023, 872.678/2023, 872.679/2023, 872.680/2023, 872.682/2023, 872.683/2023, 872.684/2023, 872.685/2023, 872.686/2023, 872.708/2023, 872.710/2023, 872.713/2023, 872.714/2023, 872.715/2023, 872.716/2023, 872.717/2023, 872.718/2023, 872.719/2023, 872.584/2023, 872.571/2023 872.572/2023				
871.663/2024, 871.668/2024, 871.671/2024, 871.997/2024, 871.952/2024, 871.951/2024, 871.996/2024, 871.953/2024	7,395.65	100%	Yes	1
Rio de Contas Desenvolvimentos Minerais Ltda.				
870.724/2010, 870.540/2007, 870.541/2007, 870.544/2007, 870.545/2007, 871.239/2010, 870.532/2007, 870.585/2008, 870.713/2007, 870.714/2007, 870.877/2007, 870.879/2007, 870.880/2007, 870.882/2007, 870.888/2007, 870.890/2007, 870.898/2007, 870.900/2007, 872.970/2010, 874.320/2007, 872.947/2007, 870.314/2007, 873.398/2008, 873.880/2007, 870.534/2007, 870.536/2007, 870.826/2004, 870.827/2004, 871.438/2004, 871.439/2004, 872.568/2005, 872.703/2008, 872.563/2005, 870.024/2007, 870.025/2007, 870.026/2007, 870.027/2007, 870.029/2007, 872.480/2009, 873.776/2006, 873.777/2006, 870.539/2007, 870.174/2007, 873.212/2006, 873.244/2006, 873.213/2006	74,823.54	100%		3
Jequié Mineração Ltda.				
870.695/2021, 870.696/2021, 870.697/2021, 870.698/2021, 870.699/2021, 870.700/2021, 870.773/2021, 870.774/2021, 870.779/2021,870.780/2021	11,490.25	100%		1
Jitauna Pesquisa E Mineração Ltda				
870.002/2013, 870.003/2013, 870.004/2013	5,467.52	100%		4
Pro Flora Agroflorestal				
871.746/2017	1,885.37	100%		5
R. E. 17 Mineração				
870.930/2011, 872.549/2015, 870.725/2016	3,073.46	100%		4
Ubaíra Mineração Ltda				
870.664/2021, 870.665/2021, 870.666/2021, 870.667/2021, 870.668/2021, 870.669/2021, 870.680/2021, 870.681/2021 870.682/2021	15,284.12	100%		1
Vanice A. Assis Costa				
871.219/2018	599.69	100%		5

Notes:

1. Each of Borborema Mineração Ltda., Ubaíra Mineração Ltda. and Jequié Mineração Ltda. is a wholly owned subsidiary of BRE
2. Borborema Mineração Ltda. ("Borborema") has entered into a legally binding agreement to acquire sixteen mineral exploration permits from Alpha Minerals Brazil Participações Ltda. ("Alpha"). Borborema has paid to Alpha the consideration for these exploration permits and a request for the assignment of the exploration permits to Borborema has been lodged with the ANM.
3. Borborema Mineração Ltda. has entered into a binding agreement with Rio de Contas Desenvolvimentos Minerais Ltda. ("Rio Tinto") to acquire the Amargosa Tenements. Refer to the Prospectus dated 13 November 2023 for details of the agreement to acquire the Amargosa Tenements and for information regarding the status of the Amargosa Tenements.

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Borborema has paid all consideration due to Rio Tinto under the agreement. In the June 2024 quarter the formal transfer of the Amargosa Tenements to Borborema was processed by the ANM.

4. During the March 2024 quarter, Borborema acquired and exercised the option to acquire the eleven exploration licences comprising the Sulista Rare Earths Project. Borborema has paid to the vendors of the Sulista Rare Earths Project the consideration for these exploration permits and a request for the assignment of the exploration permits to Borborema has been lodged with the ANM. In the September quarter tenement 872.651/2013 previously held by Jitauna Pesquisa E Mineirão Ltda was transferred to Borborema.

5. Borborema entered into an agreement to acquire the exploration permits during the March 2024 quarter. Borborema has paid to the vendors of the exploration permits the consideration for these exploration permits and a request for the assignment of the exploration permits to Borborema has been lodged with the ANM

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Schedule 2

Actual Expenditure to 31 December 2024
vs. Use of Funds in the Prospectus 13 November 2023

Use of Funds	Expenditure under Prospectus (2-year period) A$'000	Actual expenditure to 31 December 2024 A$'000
Acquisition of the Rio Tinto Amargosa Tenements[1]	11,645	11,052
Exploration activities (including operations personnel)	26,500	28,874
Technical studies	1,000	554
Equipment purchases	1,500	491
Permitting and legal	500	15
Environmental	400	-
Costs of the Offer[2]	4,283	2,430
Working capital[3]	7,372	4,897
TOTAL	53,200	48,313

1. Cash expenditure on the acquisition of exploration tenements included A$11.05 million paid to complete the acquisition of the Rio Tinto project.
2. Working capital includes the general costs associated with the management and operation of the business including but not limited to administration expenses, audit and accounting fees, legal fees, travel costs, business development costs, listing and share registry fees, remuneration of directors, management and other personnel, insurance, investor relations expenses, rent and other associated costs. Working capital also includes surplus funds and funds that may be applied to future acquisitions.
3. Actual working capital expenditure to 31 December 2024 includes A$1.55 million of cash in relation to the acquisition of the Sulista Project, and $954k for FY23 short-term incentives.

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Schedule 3

Appendix 5B: Mining exploration entity quarterly cash flow report

Name of entity

BRAZILIAN RARE EARTHS LIMITED

ABN	Quarter ended ("current quarter")
88 649 154 870	**31 DECEMBER 2024**

	Consolidated statement of cash flows	Current quarter $A'000	Year to date (12 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(6,988)	(26,176)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(387)	(2,338)
	(e) administration and corporate costs	(456)	(2,440)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	658	1,704
1.5	Interest and other costs of finance paid	(5)	(9)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(7,178)**	**(29,259)**
2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements (*Acquisition of the Rio Tinto & Sulista Projects*)	-	(12,600)
	(c) property, plant and equipment	(151)	(427)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(151)**	**(13,027)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	80,000
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(6)	(4,691)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**(6)**	**75,309**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	89,159	48,844
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(7,178)	(29,260)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(151)	(13,027)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(6)	75,309
4.5	Effect of movement in exchange rates on cash held	(138)	(180)
4.6	**Cash and cash equivalents at end of period**	**81,686**	**81,686**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	81,686	89,159
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**81,686**	**89,159**

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6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	578
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	Financing facilities *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	Total facility amount at quarter end $A'000	Amount drawn at quarter end $A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-

7.5	**Unused financing facilities available at quarter end**	-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

Not applicable

8.	Estimated cash available for future operating activities	$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(7,178)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(7,178)
8.4	Cash and cash equivalents at quarter end (item 4.6)	81,686
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	81,686
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	**11**

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: **Not applicable**

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8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
Answer: **Not applicable**	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
Answer: **Not applicable**	
Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.	

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A

2 This statement gives a true and fair view of the matters disclosed

Date: **29th January 2025**

Authorised by: **Managing Director and CEO**

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