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ASX Announcement

14 October 2025

STRATEGIC U.S. INVESTMENT SUPPORTS SUCCESSFUL RIGHTS ISSUE & PLACEMENT

$15.6M raised to boost IXR's global expansion

- **Successful completion of the $6.1 million Renounceable Rights Issue, which closed heavily oversubscribed;**
- **Follow-on $9.5 million Placement completed to accommodate excess demand, supported by domestic and international institutional investors;**
- **$3 million strategic investment from U.S.-based Argentem Creek Partners, a specialist investment firm with a global presence and experience across the critical minerals, fintech and industrial sectors; and**
- **Funds to support IonicRE's global magnet recycling expansion, including development of Belfast magnet recycling plant, advancing Brazilian rare earths joint venture Viridion and other expansion opportunities across North America, Europe and Asia.**

Ionic Rare Earths Limited ("IonicRE" or the "Company") (ASX: IXR) has received a vote of confidence in its global expansion strategy, successfully completing its Renounceable Rights Issue ("Rights Issue") announced on 12 September 2025, closed on 9 October 2025 ("Closing Date"), and an additional Placement ("Placement") which were strongly supported by existing and new shareholders.

Amid an increased global focus on the rare earths sector, the Rights Issue raised approximately $6.1 million (before costs) and closed heavily oversubscribed. To accommodate some of the excess demand and secure new domestic and international institutional investors, the Company placed an additional $9.5 million (before costs), including the previously announced $1.125 million.

The Placement was completed on the same terms as the Rights Issue, with the new shares being issued at an issue price of 1.6 cents each. One option is being issued for every new share subscribed for (at no additional issue price) exercisable at 2.5 cents before 30 September 2028, with application for these options to be listed.

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Ionic Rare Earths Limited
Level 5 South
459 Collins Street
Melbourne Vic 3000
Australia

Phone: +61 3 9776 3434
Email: investors@ionicre.com
Web: www.ionicre.com

ACN: 083 646 477

The placement was anchored by a $3 million strategic investment from U.S.-based Argentem Creek Partners ("Argentem"), a specialist investment firm with experience in critical minerals, energy transition plays, technology, and industrial sectors.

The global rare earths sector has received increased investor attention following China's 9 October 2025 decision to further restrict access to rare earths, requiring both foreign and domestic companies to obtain special licences for the export of "dual-use items" with both civilian and military applications. In response, on 10 October, U.S. President Donald Trump announced an additional 100% tariff on Chinese imports, potentially starting from 1 November 2025.

IonicRE Executive Chairman, Mr Brett Lynch said he was delighted by the overwhelming response from investors to the Rights Issue and Placement and the strategic investment from Argentem.

"I would like to thank both new and existing investors for their tremendous support of the Rights Issue and Placement. They have delivered a huge vote of confidence in IonicRE and our global expansion strategy, as we build an industrial business at scale in developing secure and sustainable ex-China rare earth supply chains," Mr Lynch said.

"The investment from Argentem is particularly welcome due to their financial strength and global presence which has the ability to hyperscale IonicRE's growth around the world. We are moving as quickly as possible given the enormous market demand for rare earths, which has only increased in the wake of China's latest export controls on these materials vital for Western defence and advanced manufacturing. This situation only highlights the need for new sources of supply including from magnet recycling.

"Thanks to this investor support, we now have the financial backing to execute on our strategy, and with the right people, partners and product at the right time we have all the ingredients for success."

Argentem Creek Partners CEO, Mr Daniel Chapman, commented: *"We are pleased to announce that Argentem Creek Partners has joined as a strategic investor in the Ionic Rare Earths' placement. As a strategic finance partner, Argentem Creek will play a key role in supporting the Company's growth and expansion ambitions,"* Mr Chapman said.

"Rare earths is an industry that is changing extremely quickly and with the increasingly critical need for new, secure, and sustainable ex-China supply chains, IonicRE's magnet recycling technology is a hugely valuable asset with unique global rollout potential.

Argentem's President Mr Maarten Terlouw added: *"Our investment commitment in Ionic Rare Earths reflects our confidence in the Company's strategy and long-term potential. As a strategic investor and finance partner, we are supporting Ionic's efforts to expand its operations and advance a circular rare earths supply chain, a model that aligns with our focus on responsible growth and sustainable value creation. We look forward to working alongside the Ionic team as they build a business positioned to make a lasting impact across the critical materials sector."*

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Funds Raised

The result of the Entitlement Offer, Shortfall Offer, and Placements are as follows:

	Funds raised (before costs)	**Shares**	**Options**
Entitlement Offer	$2.8 M	176,155,881	176,155,881
Shortfall Offer	$3.3 M	204,549,224	204,549,224
Placement 1	$1.1 M	70,312,500	70,312,500
Placement 2	$8.4 M	525,000,000	525,000,000
Total	$15.6 M	976,017,605	976,017,605

All directors participated in the Rights Issue (with combined subscriptions of ~$236,000) along with IXR Executives and Management participating in the Placement (with combined subscriptions of ~$635,000).

The Rights Issue was underwritten to $2 million by Mahe Capital Pty Ltd (ACN 634 087 684) (AFSL 517246). No equity was issued under the underwriting facility. A total of 45,348,845 New Options on the same terms as the Rights Issue will be issued to Mahe Capital ("Advisor Options").

The Company intends to issue the New Shares and New Options on 16 October 2025, which are expected to commence trading on ASX on 17 October 2025. Securities issued under the Placement will be issued using the Company's existing placement capacity, with ~520 million shares to be issued under Listing Rule 7.1A, and ~75 million shares, ~595 million options and ~45 million advisor options to be issued under Listing Rule 7.1.

The Company would like to thank shareholders who supported the capital raising as well as Mahe Capital which acted as partial underwriter to the Rights Issue.

Proceeds from the Rights Issue and the Placement (and any funds raised on the exercise of the Options) will be used primarily for the following purposes;

- Accelerating the commercialisation of the Belfast magnet recycling plant
- Advancing the Brazilian rare earth refining and recycling Viridion joint venture
- Securing rare earth supply chains in the USA and globally
- Progressing development of the Makuutu Heavy Rare Earths Project.

IonicRE Managing Director, Mr Tim Harrison commented: *"We're now seeing the impacts of disrupted rare earths supply on the global market and this is driving demand for new supply sources. Magnet recycling offers the fastest, most sustainable and lowest cost pathway to production, while our shovel-ready Makuutu project has become an even more valuable and strategic asset in securing a magnet and heavy REO rich basket, and I look forward to working closely with the team at Argentem Creek to chart a path forward into the US supply chain.*

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"For IonicRE it is critical to act quickly to build on the potential of our assets and I am delighted to have received such significant investor backing for our global expansion strategy, delivering increased value for shareholders from these key critical raw materials of the 21st century."

Authorised for release by the Board.

For enquiries, contact:

For Company
Tim Harrison
Ionic Rare Earths Limited
investors@ionicre.com
+61 (3) 9776 3434

For Investor Relations
Peter Taylor
NWR Communications
peter@nwrcommunications.com.au
+61 (0) 412 036 231

About Ionic Rare Earths Ltd

Ionic Rare Earths Limited (ASX: IXR or IonicRE) is an emerging miner, refiner and recycler of sustainable and traceable magnet and heavy rare earths needed to develop net-zero carbon technologies.

Ionic Technologies International Limited ("Ionic Technologies"), a 100% owned UK subsidiary, 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 99.5% rare earth oxide (REO).

The Makuutu Heavy Rare Earths Project in Uganda, 60% owned by IonicRE, 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 REO.

IonicRE has also executed a transformational 50/50 joint venture refinery and magnet recycling facility in Brazil with Viridis Mining and Minerals Limited (ASX: VMM) to separate high value magnet and heavy rare earths from the Colossus Project's full spectrum of REOs.

This integrated strategy completes the circular economy of sustainable and traceable magnet and heavy rare earth products needed to supply applications critical to EVs, offshore wind turbines, communication, and key defence initiatives.

For more information about IonicRE and its operations, please visit www.ionicre.com.

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About Argentem Creek Partners

Argentem Creek Partners is an emerging markets specialist investment firm committed to delivering value for investors and partners. The firm is focused on supporting portfolio companies that pursue transformational strategies in emerging markets, creating long-term value for investors while embedding strong governance and sustainability practices.

Argentem Creek was founded in 2015 by Daniel Chapman and his former team from Cargill, Inc. subsidiary, Black River Asset Management. 100% employee-owned, the firm has resources in Abu Dhabi, Buenos Aires, London, and New York.

For more information, please visit www.argentemcreek.com.

Forward Looking Statements

This announcement has been prepared by Ionic Rare Earths Limited and may include forward-looking statements. Forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of Ionic Rare Earths Limited. Actual values, results, or events may be materially different to those expressed or implied in this document. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. Any forward-looking statements in this document speak only at the date of issue of this document. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Ionic Rare Earths Limited does not undertake any obligation to update or revise any information or any of the forward-looking statements in this document or any changes in events, conditions, or circumstances on which any such forward looking statement is based.

References to Previous ASX Releases

- *2025 Annual Report – 29 September 2025*
- *Target Market Determination – 12 September 2025*
- *Prospectus – 12 September 2025*
- *Renounceable rights issue and placement to raise up to $7M – 12 September 2025*

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and all material assumptions and technical parameters continue to apply and have not materially changed.

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