



American Rare Earths Ltd

(ASX:ARR)

An Australian exploration company focused on the discovery & development of strategic Critical Mineral Resources

Commodity Exposure

Rare Earth Elements & Cobalt

Directors & Management

Creagh O'Connor AM

Non-Executive Chairman

Keith Middleton

Managing Director

Geoff Hill

Non-Executive Director

Denis Geldard

Non-Executive Director

Jim Guilinger

Chief Technical Advisor

Wayne Kernaghan

Company Secretary

Capital Structure

Ordinary Shares on Issue (30/11/20) 302M

Market Cap (undiluted at 10.0 cps) \$30.2M

American Rare Earths Ltd

ARBN 003 453 503

Head Office

Suite 706 Level 7, 89 York St,

Sydney NSW 2000

GPO BOX 1546, Sydney NSW 2001

Tel +61 2 8054 9779

Email info@americanrareearths.com.au

Web: <https://americanrareearths.com.au/>

2 December 2020

SUCCESSFUL \$2.4M PLACEMENT

American Rare Earths Limited (ASX:ARR or the "Company") is pleased to announce that the Company will place approximately 26.66m shares at an issue price of \$0.09 per shares plus a 1 for 2 free attaching option exercisable at \$0.15 with an expiry date of three years from the date of issue to raise approximately \$2.4M (before expenses) ("Placement").

Taylor Collison acted as Lead Manager to the Placement and binding firm commitments were received from professional and sophisticated investors. The Placement will be completed under the Company's 15% capacity pursuant to ASX Listing Rule 7.1. Completion of the Placement and receipt of funds is expected to occur on or around Thursday 10 December 2020.

The funds raised from the Placement will be used in the upcoming drilling program identified from the previously released JORC 2012 compliant, 2020 Technical Report on the Arizona, La Paz Rare Earths and Scandium project. The program will test for mineralisation at depth and will obtain core samples for use in further metallurgical test work.

The Technical Report identified extensive areas of REE's greater than 300ppm and Scandium greater than 11ppm that warranted deeper drilling in the lower plate where, higher grade Rare Earths, would substantially increase the resource base for the project. (*Red circle figure 1*)

The funds will be also used to drill in the recently acquired tenements in the Southwest due to favorable Rare Earths and Scandium sampling results. With appropriate additional drilling to verify the data, the authors of the JORC 2020 resource estimate consider, if successful, the REE and Scandium resources can be confidently reclassified and expanded. (*Red dotted lines figure 1*)

Preliminary metallurgical test work on the core will be undertaken by the Saskatchewan Research Council (SRC) in preparation for the advanced new processing technologies of REE and Scandium being proposed by Purdue University and the University of Kentucky.

In summary, the Placement will enable the company to advance its exploration activities and its metallurgical test work, together with providing working capital towards the delivery of a Preliminary Economic Assessment (PEA) on its La Paz Rare Earths project in Arizona, USA in 2021.

This announcement has been authorised for release to the market by the Board of American Rare Earths Limited.

Keith Middleton
Managing Director

American Rare Earths Limited Drill hole locations (FIGURE 1)

