



25 September 2024

Rainbow Rare Earths Limited
("Rainbow" or "the Company")
LSE: RBW

Completion of Ecora Royalty Agreement Transaction

Further to the announcement on 1 July 2024 that Rainbow has entered into a royalty financing and share subscription agreement with Ecora Resources PLC ("Ecora"), Rainbow is pleased to announce that all conditions precedent required for the payment of the US 8.5 million royalty consideration have been met and the funds, net of US 229k transaction costs, have been received by Rainbow.

This is in addition to the funds raised by the associated share subscription which completed in July and delivered an additional ca. US 1.5 million to Rainbow, for a total gross funding of US 10 million.

As previously announced, the funds will be used to:

1. deliver the completion of the Definitive Feasibility Study on the Phalaborwa project; and
2. cover all other Company financing requirements up to June 2025.

For further information, please contact:

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Notes to Editors:

About Rainbow:

Rainbow Rare Earths aims to be a forerunner in the establishment of an independent and ethical supply chain of the rare earth elements that are driving the green energy transition. It is doing this successfully via the identification and development of secondary rare earth deposits that can be brought into production quicker and at a lower cost than traditional hard rock mining projects, with a focus on the permanent magnet rare earth elements neodymium and praseodymium, dysprosium and terbium.

The Company is focused on the development of the Phalaborwa Rare Earths Project in South Africa and the earlier stage Uberaba Project in Brazil. Both projects entail the recovery of rare earths from phosphogypsum that occurs as the by-product of phosphoric acid production, with the original source rock for both deposits being a hardrock carbonatite.

The Phalaborwa Preliminary Economic Assessment has confirmed strong base line economics for the project, which has a base case NPV10 of US 627 million, an average EBITDA operating margin of 75% and a payback period of < two years.

More information is available at www.rainbowrareearths.com

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