



21 October 2026

Rainbow Rare Earths Limited
("Rainbow" or "the Company")

Preliminary Results for the Year ended 30 June 2026

Rainbow Rare Earths (LSE:RBW) is pleased to announce its preliminary results for the year ended 30 June 2026 ("FY 2026" or the "Year"). The financial information in this release does not constitute the Financial Statements. The Group's Annual Report, which includes the audit report and audited Financial Statements for the year ended 30 June 2026, will be available on the Company's website at www.rainbowrareearths.com.

Highlights

- Rare earth elements ("REE") security has become a permanent fixture of national economic and defence policy. China's export controls were tightened repeatedly during the Year, driving a clear bifurcation between heavy REE prices inside China and those available to buyers of ex-China material.
- Western governments have responded with price floor mechanisms, strategic stockpiles and direct investment in supply chains, strengthening the case for new, diversified and responsibly produced sources of REE outside China.
- Our strategy to develop low-cost, low-capital intensity projects recovering REE from phosphogypsum, using our own intellectual property, positions us well to benefit from this structural shift.
- Rainbow's own laboratory in Johannesburg has transformed the pace of flow sheet development and 75% of the Phalaborwa flow sheet is now fixed and suitable for the engineering phase of the Definitive Feasibility Study ("DFS").
- Solvent extraction ("SX") has been confirmed as the optimal route for final separation to NdPr separated oxide and SEG+ carbonate containing dysprosium, terbium and yttrium. Industry leader Neo Performance Materials ("Neo") has been selected as SX technical partner, coupled with a long-term offtake agreement, subject to finalising of binding agreements.
- Initial SX bench and pilot test work is under way at Neo's facility in Estonia using high-grade rare earth solution from Phalaborwa. A Pre Feasibility Study ("PFS") is targeted for publication in Q4 2026 to begin financing and restart permitting workstreams with the DFS expected in H1 2027.
- At Uberaba in Brazil, a positive economic assessment was published with The Mosaic Company ("Mosaic") delivering a post-tax NPV of US 916 million, a post-tax IRR of 45% and a payback period of 1.7 years on capital expenditure of US 279 million in March 2026, alongside the signing of a Joint Development Agreement. The PFS commenced in September 2026.
- Uberaba's progression to PFS stage marks the first step in applying Rainbow's proprietary rare earth extraction IP to the global opportunity presented by phosphogypsum waste.
- The team has been strengthened with the appointments of James Beams to the Board and Brent Holme as Environmental, Social and Sustainability ("ESS") Manager, who will lead the final Phalaborwa permitting process.
- Gross proceeds of £11.1m (c. US 14.7 million) raised through a share placing completed in April 2026 with new strategic investors and existing shareholders. The strategic investors included two US-based single family offices and Traxys Group, one of the suppliers servicing Project Vault, and one of the largest traders of rare earth products in the West.
- Cash held at 30 of June 2026 of US 12.9 million (FY 2025: US 3.9 million).

- Rainbow continues to evaluate a potential US listing to introduce the Company to a wider pool of investors.
- Responsible production remains at the heart of Rainbow's business model, with Phalaborwa expected to clean up a legacy environmental issue while recovering the critical REE essential to the green energy transition, defence and other advanced technologies.

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Market Abuse Regulation (EU) No 596/2014 ("MAR") which has been incorporated into UK law by the European Union (Withdrawal) Act 2018 until the release of this announcement.

For further information, please contact:

Rainbow Rare Earths Ltd	Company	George Bennett Pete Gardner	+27 (0) 82 652 8526
	IR	Elizabeth Johnson	+44 (0) 777 565 5927 EJ@rainbowrareearths.com
Tavistock Communications	PR/IR	Charles Vivian Eliza Logan	+44 (0) 20 7920 3150 rainbowrareearths@tavistock.co.uk
BMO Capital Markets	Broker	Thomas Rider John Gale	+44 (0) 20 7664 8121
Berenberg	Broker	Matthew Armitt Jennifer Lee	+44 (0) 20 3207 7800

About Rainbow:

Rainbow Rare Earths aims to be one of the lowest cost suppliers of critical rare earth raw materials in the western world supply chain. Advancing two core projects, Phalaborwa in South Africa and Uberaba in Brazil in partnership with The Mosaic Company, Rainbow is one of the most advanced market participants pursuing secure, near-term and globally competitive upstream supply of rare earths products crucial for industrial, energy transition, and defence applications.

With a unique project portfolio focused on the recovery of rare earth elements from phosphogypsum, a by-product of fertiliser production, Rainbow's projects avoid traditional mining and front-end processing stages. This represents a significant competitive advantage in bringing sustainable, long-life and low-cost supply of rare earths to market.

More information is available at www.rainbowrareearths.com or by visiting the Rainbow Rare Earths Curation Showcase at: [Curation Connect – Rainbow Rare Earths Showcase](https://ai.curationcorp.com/showcase/Rainbow-Rare-Earths-90903) or <https://ai.curationcorp.com/showcase/Rainbow-Rare-Earths-90903>

Chairman's Statement

Dear Shareholder,

This Year has been another defining period for the rare earth industry, building on the seismic shifts of 2025 and confirming that REE security has become a permanent fixture of national economic and defence policy, rather than a passing concern. REEs are essential to both national security and economic resilience. They are found in the products we rely on every day, and in the emerging and advanced technologies that will define the decades ahead, from electric vehicles and robotics to defence systems and the wider green energy transition.

The export controls China put in place last year exposed the fragility of the global supply chain, and over the course of this Year that fragility has been tested repeatedly. Each test has reinforced the same conclusion: the West's dependence on a single source for these critical minerals is a strategic vulnerability it can no longer afford to tolerate.

The biggest impact of the stop-start pattern we saw last year on the supply side has been felt in pricing, where a genuine bifurcation has now taken hold between heavy rare earth element prices inside China and those available to buyers who need ex-China material. That divergence is, in my view, the clearest single measure of how seriously the market now takes the risk of relying on China alone, and it has set the terms for much of what governments and industry have done in response over the course of the Year.

That response has gathered real momentum. The landmark deal that saw the U.S. Department of War ("DoW") form a public-private partnership with MP Materials to build a domestic rare earth permanent magnet supply chain has been followed by further, larger commitments: an expanded DoW partnership supporting new magnet manufacturing capacity in Texas, a separate US 96 million Pentagon agreement with Australia's Lynas, and, most recently, the White House's announcement in August of US 3 billion of support for U.S. critical minerals supply chains. Alongside this, we have seen price floor mechanisms introduced that have created a new, stable base accepted by Western buyers, allowing the supply chain to develop on a commercially viable footing outside of China for what is essentially the first time.

Stockpiling, too, has moved from policy discussion to active implementation this year, something Rainbow has been advocating for since long before it became conventional wisdom. The EU has advanced plans for strategic reserves of REE and tungsten under its Critical Raw Materials Act, Japan has continued to expand its own stockpile, and Australia has confirmed REE as a priority for its own critical minerals reserve. Taken together, these steps signal that Western governments now regard assured physical supply, and not simply price, as a matter of state.

Against this backdrop, the case for new, diversified, responsibly produced sources of REE outside China has never been stronger. Our strategy, to develop low-cost, low-capital-intensity projects that recover REE from phosphogypsum, a by-product from the production of phosphoric acid, using our own intellectual property, rather than through conventional hard-rock mining, positions us well to benefit from this structural shift.

Over the course of the year our understanding of the process to extract REE from phosphogypsum has increased substantially. The key value driver has always been getting the flow sheet right, so that it can in time be rolled out to other phosphoric acid opportunities globally. This is the true value of our business. We are now close to finalising our flow sheet, creating unique IP to extract valuable REE from a waste product. The decision to move our second project Uberaba into Pre Feasibility is the first step in using our IP to unlock this global opportunity.

As we continue to drive our projects forward, we have strengthened the team charged with delivering on this opportunity, with the appointments of James Beams to the Board and Brent Holme as Environmental, Social and Sustainability ("ESS") Manager. In a further step to unlock shareholder value, we announced during the Year that we are evaluating a US listing, introducing the Rainbow story to a wider pool of investors as we move into our next phase of growth.

On behalf of the Board, I would like to thank our management team, our partners and our shareholders for their continued support through what has been a demanding but genuinely productive Year for Rainbow and for the industry as a whole.

Adonis Pouroulis
Non-Executive Chairman

CEO's Statement

Dear Shareholder,

FY 2026 has been a year of evaluating and optimising the process flow sheet at Phalaborwa to ensure that we have the fundamentals right. While we do not use any novel processing steps, we will be the first company to deliver a low-cost, low-capital-intensity, commercial solution to recover REE from phosphogypsum, a by-product from the production of phosphoric acid, a source that has been studied since the 1980s.

The decision that shaped the year more than any other was establishing our own world-class laboratory in Johannesburg. Previously, the test work was outsourced, and outsourcing means queuing: samples go out, results come back weeks later, and every iteration of the flow sheet costs you a slot in someone else's schedule. Bringing that capability in-house let us run a far higher volume of test work than we could otherwise have afforded, and to do it on our own accelerated timetable. The result was a much deeper understanding of the underlying chemistry, and the ability to move faster precisely because we understood the process better.

This mattered because phosphogypsum is not a straightforward feedstock. It has presented unique challenges that our team has spent the year methodically working through. Our focus throughout has been on getting the process right before we commit to building it.

Having our own laboratory meant we could quickly get to the root of issues and address challenges, rather than discovering them later, at greater cost, during commissioning. This has been evident with the commissioning during the year of our pilot plant, bringing the individual elements of the process together into a continuous circuit. I will be candid: this has taken longer than we originally expected but, getting this right has always mattered more to us than getting there fast, and we are now genuinely confident in the process we are finalising. We have now reached the point where our laboratory can consistently produce a high-grade rare earth solution suitable for separation, with 75% of the flow sheet at a confidence level that allows us to proceed to DFS level engineering.

We originally believed continuous ion chromatography (CIC) would be a more efficient route to delivering separated Nd, Pr, Dy and Tb. Test work carried out with our CIC technical partner did not deliver the expected results, leading to two important decisions. First, to undertake test work in our own laboratory so that we could understand those shortcomings properly. Second, on the back of our own testing, to switch to using solvent extraction (SX) for separation, the global industry standard, to produce separated NdPr oxide and SEG+ carbonate.

We have taken the time to choose the right technical partner for our SX circuit: Neo Performance Materials, a company with deep operating experience in rare earth separation and magnet materials, is a leading business in this sector. With this decision made, the final piece of the process has fallen into place, subject to signing of binding agreements. This will be coupled with a long-term offtake agreement with Neo to deliver our NdPr and SEG+ products at market competitive rare earth pricing. I am delighted that one of the leading Western companies in the

advanced industrial material sector has backed our project to deliver.

Initial standalone SX bench and pilot test work to validate the final step in our process is already underway at Neo's facility in Estonia using high-grade rare earth solution from Phalaborwa. An integrated pilot plant for the SX separation circuit will then be operated in our Johannesburg laboratory to underpin the engineering and design for the Definitive Feasibility Study ("DFS"). This will push completion of the DFS back into 2027. Rather than let this flow through to the overall project timeline, we will complete a Pre Feasibility Study ("PFS"), targeted to be published in Q4 2026, supported by the current test work. The PFS will define the final products, processes and the waste streams with sufficient certainty to begin financing and restart permitting workstreams in earnest.

Permitting has long been highlighted as a critical path item for this project. With Brent joining the team as ESS Manager, we are positioned to advance the permitting process in parallel with finalising the DFS, keeping overall project momentum intact. South Africa has a well-established permitting timeline, which does not need to wait for a DFS to be completed. Every month we can bring it forward is a month gained.

The Uberaba Project in Brazil, in joint development with partner The Mosaic Company, has been the second major thread of the Year. The completion of a positive economic assessment, in record time, was a direct dividend of the work we had already done at Phalaborwa and the capability we had already built in our laboratory; we did not need to relearn the chemistry from scratch. The assessment demonstrates that our model scales: a larger project than Phalaborwa, built on the same low-cost thesis. The signing of the joint development agreement with Mosaic, and the start of the PFS that followed it, are the next concrete steps in advancing our second project alongside our first.

None of this changes how we run the business day to day. We will continue to keep corporate overheads low, so that the funds we raise are spent on progressing Phalaborwa and Uberaba.

The Gakara project in Burundi has remained on care and maintenance throughout the Year, at the request of the Government of Burundi. We continue to keep costs low as we work towards a resolution with the Government.

I extend my deepest appreciation to our stakeholders for their steadfast support and to our exceptional technical team, whose dedication has propelled us to where we are now. I remain convinced that Rainbow is positioned to unlock a low-cost, responsible supply of rare earth elements, with ESG benefits that few others in this industry can claim; we are turning legacy waste into the inputs that critical green technologies depend on. We have now proven our model scales at precisely the moment the world has decided that security of rare earth supply cannot be left to chance.

George Bennett
Chief Executive Officer

Financial Review

Rainbow's strategic focus is to identify and develop secondary rare earth deposits that can be brought into production quicker and at a lower cost than traditional hard rock mining projects. As a developer, Rainbow capitalises the costs of exploration and evaluation for each identifiable project once the legal right to the project has been secured. Costs associated with research into the recovery of rare earths from phosphogypsum that do not relate to a single project are expensed as research costs. The Board and management focus on maintaining tight control of costs, including corporate overheads, ensuring that funds raised go towards building value across our portfolio to the maximum extent possible.

During FY 2026 the Group invested US 0.9 million in exploration and evaluation costs to progress the Phalaborwa project in South Africa (FY 2025: US 1.6 million). Costs associated with the laboratory facility set up to develop the Group's IP for the recovery of REE from phosphogypsum totalled US 0.8 million (FY 2025: US 0.8 million) including US 0.3 million (FY 2025: US 0.5 million) of capital expenditure. A further US 0.1 million (FY 2025: US 0.2 million) of business development costs were incurred relating to progressing the Uberaba opportunity in Brazil and broadening the Group's international pipeline of phosphogypsum opportunities.

In FY 2026 the Group raised gross proceeds of US 14.7 million (before costs of US 0.7 million) through a share placing completed in April 2026, issuing 55.4 million new ordinary shares at 20 pence per share (FY 2025: US 10.0 million raised, comprising a US 1.5 million equity placing and US 8.5 million of proceeds from the Ecora royalty financing). As a result, cash at 30 June 2026 increased to US 12.9 million (FY 2025: US 3.9 million).

Profit and loss account

The Group reported a loss of US 7.5 million for FY 2026 (FY 2025: US 3.2 million) with the increase driven by a US 3.0 million fair value loss on revaluation of the Ecora royalty liability (FY 2025: a US 1.2 million fair value gain). As flagged in last year's Annual Report, the FY 2025 gain arose from a temporary fall in forecast rare earth prices and was expected to reverse as pricing recovered.

Research costs associated with the Group's rare earth laboratory in Johannesburg rose to US 0.5

million (FY 2025: US 0.3 million) consistent with the increased pace of IP development work carried out in-house during the Year. They are considered to be incurred developing the Group's knowledge for the recovery of REE from phosphogypsum that will be applicable on a global basis, and are not solely related to the Phalaborwa asset

Administration expenses were stable at US 3.8 million (FY 2025: US 3.8 million), with a fall in the non-cash share-based payment charge off-setting inflationary increases. Costs associated with maintaining the Gakara project on care and maintenance, recognised within administration expenses, reduced to US 0.2 million (FY 2025: US 0.3 million).

Excluding the non-cash change in fair value of the Ecora royalty, net finance costs reduced to US 0.1 million (FY 2025: US 0.3 million).

Balance Sheet

The Group's assets are dominated by the cumulative US 18.3 million relating to the Phalaborwa asset, capitalised as an intangible asset in accordance with IFRS 6 (FY 2025: US 17.4 million), of which US 0.9 million was incurred in the Year (FY 2025: US 1.6 million). Tangible fixed assets increased to US 0.6 million (FY 2025: US 0.5 million) driven by continued investment in the Johannesburg laboratory facility.

The Group's liabilities are dominated by the Ecora royalty liability, measured at fair value through profit and loss, which increased to US 10.3 million at 30 June 2026 (FY 2025: US 7.3 million). The increase in value reflects higher rare earth prices forecast following a price correction in the Year. The Group's cash borrowings remain modest, represented by the FinBank loan in Burundi which is due to be fully repaid in April 2027. With the exception of indirect taxes and contributions payable under the Gakara mining convention, which are not being settled during the ongoing suspension of Gakara operations, the Group continues to pay all trading liabilities as they fall due.

The Group has a recognised environmental liability of US 0.1 million relating to the Gakara asset in Burundi. There are no obligations for environmental closure at the Phalaborwa or Uberaba projects as the Group does not yet have legal ownership of any land associated with the projects.

Going Concern

At 30 June 2026, the Group had cash of US 12.9 million. The Board has reviewed cash flow forecasts for the 18-month period to 31 December 2027, including reasonably possible downside scenarios. The base case forecast includes total cash outflow of US 14.8 million over the period, comprising: corporate costs of US 5.3 million (including US 0.3 million on new business development); US 5.4 million for the Phalaborwa PFS, DFS and permitting workstreams; US 1.0 million of research costs associated with the in-house laboratory; US 1.7 million for the Uberaba PFS; US 1.1 million for the project team delivering both studies; and US 0.3 million for ongoing care and maintenance at Gakara.

Management's reasonably plausible downside scenario includes a total cash outflow of US 20.1 million, which also allows for a further US 0.4 million of contingency for general corporate costs and inflation, US 0.4 million of additional business development costs, and US 4.6 million for further progression of the Phalaborwa project, including early FEED, operational readiness work, site works in H2 2027 ahead of construction and a further US 0.4 million contingency thereon.

The forecast confirms that the Group will need to raise additional funds before 31 December 2027 under all scenarios, with funding expected to be required in Q3 2027. Further funds may also be required to advance the Group's evaluation of a potential US listing; the base case includes US 0.1 million of associated evaluation costs but excludes the more significant costs of completing a listing, which are expected to be met from the resulting fundraising proceeds.

The Board is confident that this funding will be secured, based on the Group's history of successful fundraising. However, it also acknowledges that this funding is not, at the present time, in place. Accordingly, the Board acknowledges that the need for additional funding represents a material uncertainty which may cast significant doubt on the ability of the Group to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include any adjustments that would result if the Group was unable to continue as a going concern.

Post Balance Sheet Events

On 7 August 2026, the Company issued 2,683,334 new ordinary shares: 2,000,000 shares to Pipestone Capital Inc. (in which CEO George Bennett has a beneficial interest) on exercise of warrants at 4.55 pence per share; 583,334 shares to Non-Executive Directors under the Company's Restricted Share Unit scheme; and 100,000 shares on exercise of other employee options.

Pete Gardner

Chief Financial Officer

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2026

	Year ended 30 June 2026 US '000	Year ended 30 June 2025 US '000
Notes		
Administration expenses	(3,805)	(3,827)
Research costs	(540)	(260)

Loss from operating activities		(4,345)	(4,087)
Finance income		248	168
Finance costs		(355)	(451)
Change in fair value of royalty financing liability		(3,020)	1,216
Loss before tax		(7,472)	(3,154)
Income tax expense		(1)	-
Total loss after tax and comprehensive expense for the year		(7,473)	(3,154)
Total loss after tax and comprehensive expense for the year is attributable to:			
Non-controlling interest		(5)	(18)
Owners of parent		(7,468)	(3,136)
		(7,473)	(3,154)
The results of each year are derived from continuing operations			
Loss per share (cents)			
Basic	3	(1.14)	(0.49)
Diluted	3	(1.14)	(0.49)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2026

	Notes	As at 30 June 2026 US '000	As at 30 June 2025 US '000
Non-current assets			
Exploration and evaluation assets	4	18,302	17,363
Property, plant and equipment		583	460
Right of use assets		322	251
Total non-current assets		19,207	18,074
Current assets			
Inventory		1	1
Trade and other receivables		332	403
Cash and cash equivalents		12,920	3,933
Total current assets		13,253	4,337
Total assets		32,460	22,411
Current liabilities			
Trade and other payables		(1,250)	(1,203)
Borrowings		(535)	(340)
Lease liabilities		(114)	(89)
Total current liabilities		(1,899)	(1,632)
Non-current liabilities			
Borrowings		-	(85)
Royalty finance liability		(10,304)	(7,284)
Lease liabilities		(230)	(173)
Provisions		(55)	(55)
Total non-current liabilities		(10,589)	(7,597)
Total liabilities		(12,488)	(9,229)
NET ASSETS		19,972	13,182
Equity			
Share capital	5	72,137	58,150
Share-based payment reserve		2,424	2,217
Retained loss		(54,464)	(47,065)
Equity attributable to the parent		20,097	13,302
Non-controlling interest		(125)	(120)
TOTAL EQUITY		19,972	13,182

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2026

	Share capital US '000	Share- based Payments US '000	Accumulated losses US '000	Attributable to the parent US '000	Non- controlling interest US '000	Total US '000
Balance at 1 July 2024	56,362	1,839	(42,351)	15,850	(2,009)	13,841
Total comprehensive loss						
Loss and total comprehensive loss for year	-	-	(3,136)	(3,136)	(18)	(3,154)
Transactions with owners						
Shares issued during the year: cash consideration	1,500	-	-	1,500	-	1,500
Shares issued during the year: non-cash consideration	341	-	-	341	-	341
Share issue costs	(53)	-	-	(53)	-	(53)
Fair value of employee share incentives in year	-	707	-	707	-	707
Share incentives cancelled in the year	-	(293)	293	-	-	-
Share incentives issued in the year, net of costs	-	(36)	36	-	-	-
Impact of recapitalisation of subsidiary	-	-	(1,907)	(1,907)	1,907	-
Balance at 30 June 2025	58,150	2,217	(47,065)	13,302	(120)	13,182
Total comprehensive loss						
Loss and total comprehensive loss for year	-	-	(7,468)	(7,468)	(5)	(7,473)
Transactions with owners						
Shares issued during the year: cash consideration	14,681	-	-	14,681	-	14,681
Share issue costs	(694)	-	-	(694)	-	(694)
Fair value of employee share incentives in year	-	276	-	276	-	276
Share incentives issued in the year, net of costs	-	(69)	69	-	-	-
Balance at 30 June 2026	72,137	2,424	(54,464)	20,097	(125)	19,972

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30 June 2026

	For year ended 30 June 2026 US '000	For year ended 30 June 2025 US '000
Cash flow from operating activities		
Loss from operating activities	(4,345)	(4,087)
Adjustments for non-cash transactions:		
Depreciation	266	139
Share-based payment charge	276	707
Operating loss before working capital changes	(3,803)	(3,241)
Net increase in trade and other receivables	94	(31)
Net increase in trade and other payables	(26)	138
Cash used by operations	(3,735)	(3,134)
Realised foreign exchange gains	41	117
Net cash used in operating activities	(3,694)	(3,017)
Cash flow from investing activities		
Purchase of property, plant & equipment	(261)	(505)
Exploration and evaluation costs	(905)	(2,124)
Net cash used in investing activities	(1,166)	(2,629)
Cash flow from financing activities		
Proceeds from royalty financing	-	8,500
Costs of royalty financing	-	(360)
Repayment of borrowings	(73)	(42)
Interest payments on borrowings	(20)	(20)
Interest received	58	40
Payment of leases	(121)	(70)
Proceeds from the issuance of ordinary shares	14,681	1,500
Transaction costs of issuing new equity	(694)	(53)
Net cash generated by financing activities	13,831	9,495
Net increase in cash and cash equivalents	8,971	3,849
Cash & cash equivalents at the beginning of the year	3,933	79

Foreign exchange gain / (loss) on cash and cash equivalents	16	5
Cash & cash equivalents at the end of the year	12,920	3,933

NOTES

1. BASIS OF PREPARATION

The Financial Statements of the Company and its subsidiaries (the "Group") are prepared in accordance with IFRS Accounting Standards as adopted by the European Union.

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments measured at fair value through profit or loss. Given the development status of the Group's assets, management do not consider sustainability and climate change as key risks requiring significant judgement for the Year. The Group has prepared sustainability disclosures on pages 22 to 34 of the 2026 Annual Report in line with the requirements set out in the UK Listing Rules to the extent relevant for a Group without producing assets.

2. GOING CONCERN

As at 30 June 2026, the Group had total cash of US 12.9 million. The Board have reviewed a range of potential cash flow forecasts for the period to 31 December 2027, including reasonable possible downside scenarios. The base case forecast includes US 14.8 million expected costs for the Group over the 18-month period from 1 July 2026 to 31 December 2027 (the "Period") as follows:

- Corporate costs of US 5.3 million including US 0.3 million in respect of pursuing new business opportunities.
- US 5.4 million for Phalaborwa to deliver the planned PFS, DFS and permitting workstreams. This includes costs associated with management of the Phalaborwa site from Q3 2027 and a 10% contingency.
- Research costs of US 1.0 million associated with Rainbow's in-house laboratory in Johannesburg, including associated technical staff.
- US 1.7 million for a PFS at the Uberaba opportunity in Brazil.
- US 1.1 million for Rainbow's project team who will deliver the Phalaborwa studies and Uberaba PFS.
- US 0.3 million for ongoing care and maintenance at the Gakara project in Burundi.

Management's reasonably plausible downside scenario includes a total cash outflow of US 20.1 million, which also includes:

- US 0.4 million representing a 5% contingency for general corporate costs and overall inflationary impacts in H2 2027.
- US 0.4 million for additional business development costs.
- US 4.6 million for further progression of the Phalaborwa project including US 1.4 million for financing, US 2.8 million to progress a FEED, operational readiness and early site works in H2 2027 ahead of construction and a further US 0.4 million contingency thereon.

The Group has determined that no additional cash outflows will be incurred on Gakara until the export ban and mining suspension has been lifted. Any re-start of operations would be conditional on the Gakara project not requiring additional financial support from Rainbow Rare Earths Limited at then current rare earth prices.

The Group is evaluating the opportunity for a US listing. The forecast includes US 0.1 million of costs associated with that evaluation but excludes any significant legal or other costs that may be involved in completing a US IPO. A full budget for the potential US Listing has not been finalised. In the event that a US listing is undertaken it is expected that the majority of the cost will be paid from the resulting fundraising proceeds.

At 30 June 2026 the Group had US 12.9 million of cash. The base case forecast includes a total cash outflow over the Period of US 14.8 million. Management's reasonably plausible downside scenario includes a total cash outflow of US 20.1 million. The forecast indicates that the Group will need to raise additional funds before 31 December 2027 under all scenarios, with funding expected to be required in Q3 2027. In addition, further funds may be required to advance a US listing process ahead of associated fundraising receipts.

The Group is reliant on securing additional funding which is not guaranteed. Accordingly, the Board acknowledges that the need for additional funding indicates the existence of a material uncertainty which may cast significant doubt on the ability of the Group to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include any adjustments that would result if the Group was unable to continue as a going concern. The Board is confident that this funding will be secured as and when required, based on its history of successful fundraising. On this basis, the Directors' have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

3. LOSS PER SHARE

The earnings per share calculations for 30 June 2026 reflect the changes to the number of ordinary shares during the Year.

At the start of the Year, 643,688,150 shares were in issue. During the Year, a total of 56,004,105 new shares were allotted and on 30 June 2026, 699,692,255 were in issue. The weighted average of shares in issue in the Year was 656,746,766.

The loss per share has been calculated using the weighted average number of ordinary shares in issue. The Group was loss making for all periods presented, therefore the dilutive effect of share options has not

been accounted for in the calculation of diluted earnings per share, since this would decrease the loss per share for each reporting period.

	Basic and diluted	
	2026	2025
Loss for the year (US '000) attributable to ordinary equity holders	(7,468)	(3,136)
Weighted average number of ordinary shares in issue during the Year	656,746,766	643,034,257
Loss per share (cents)	(1.14)	(0.49)

4. EXPLORATION AND EVALUATION ASSETS

	Phalaborwa US '000
At 1 July 2024	15,716
Additions	1,647
At 30 June 2025	17,363
Additions	939
At 30 June 2026	18,302

Costs capitalised relate to the Phalaborwa Project in South Africa.

5. SHARE CAPITAL

	Year Ended 30 June 2026 US '000	Year Ended 30 June 2025 US '000
Share Capital	72,137	58,150
Issued Share Capital	72,137	58,150

The table below shows a reconciliation of share capital movements:

	Number of shares	US '000
At 30 June 2024	630,316,656	56,362
July 2024 - Share placing (cash receipts)	10,442,427	1,500
September 2024 – Share settled management bonus	2,929,067	341
Costs associated with share issues	-	(53)
At 30 June 2025	643,688,150	58,150
July 2025 – Issued on vesting of Restricted Share Units	583,332	-
April 2026 - Share placing (cash receipts)	55,420,773	14,681
Costs associated with share issues	-	(694)
At 30 June 2026	699,692,255	72,137

During the Year:

- On 7 July 2025 583,332 shares were issued in respect of restricted share units which vested on 30 June 2025.
- On 9 April 2026 55,420,773 shares were issued at a price of 20 pence per share, raising US 14.7 million (before costs of US 694k).

During the prior year:

- On 1 July 2024 10,442,427 shares were issued at a price of 11.3652 pence per share, raising US 1.5 million (before costs of US 32k).
 - On 6 September 2024, the following shares were issued to settle the management bonus for the year ended 30 June 2023:
 - 1,697,852 shares were issued to George Bennett at a price of 10 pence per share.
 - 897,883 shares were issued to Pete Gardner at a price of 10 pence per share.
- Costs relating to this share issue were US 21k.

6. POST BALANCE SHEET EVENTS

On 7 August 2026, the Company announced the issue of 2,683,334 ordinary shares pursuant to the exercise of options and warrants and the issue of shares under the Company's Restricted Share Units ("RSU") scheme. The shares comprise:

- 2,000,000 ordinary shares issued to Pipestone Capital Inc., in which the Company's Chief Executive Officer, George Bennett, has a beneficial interest, following the exercise of warrants at an exercise price of £0.0455 per share;
- 166,667 ordinary shares issued to Atul Bali, a non-executive Director, under the Company's RSU scheme for nil consideration;
- 166,667 ordinary shares issued to J Peter Pham, a non-executive Director, under the Company's RSU scheme for nil consideration;
- 250,000 ordinary shares issued to Shawn McCormick, a non-executive Director, under the Company's RSU scheme for nil consideration; and
- 100,000 ordinary shares issued pursuant to the exercise of other employee share options for nil consideration.

On 11 September 2026 the Company granted 15,206,892 restricted share units / nil priced share options including 11,706,892 allocated to Directors and Key Management Personnel. Of these:

- 9,083,183 vest on 30 June 2027.
- 4,474,352 vest on 30 June 2028.

- 1,649,357 vest on 30 June 2029.

The total fair value of the restricted share units / nil priced options is US 4.8 million which will be recognised over the vesting period.

These transactions represent non-adjusting events after the reporting period and, accordingly, no adjustment has been made to the amounts recognised in these financial statements.

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact ms@lse.com or visit www.ms.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

PREDBBDGCGDDGLG