

24 November 2023

## **IONICRE WELCOMES CRITICAL RAW MATERIALS ACT PROGRESS FROM EUROPEAN UNION**

The Board of Ionic Rare Earths Limited (“IonicRE” or the “Company”) (ASX: IXR) welcomes developments from the European Union last week, where the European Parliament and the Council, the grouping of EU governments, agreed on common text for the Critical Raw Materials Act to encourage recycling of magnet rare earths, now classified as Strategic Raw Materials.

Ionic Rare Earths Managing Director Tim Harrison said the wholly-owned Ionic Technologies facility in Belfast, UK, was progressing key discussions with magnet manufacturers on swarf (metal and magnet making waste) recycling plus exploring opportunities to access a steady supply in magnets to be recycled from sources such as end-of-life turbines from grid scale wind farms and components from used electric vehicles.

“Our proprietary magnet recycling technology will help the EU meet these targets to develop domestic, secure, and sustainable supply chains to address strategic supply and sovereign security,” Harrison said.

The EU’s decision upgrades the benchmark for recycling of critical raw materials from 15 percent to at least 25 percent of annual consumption of raw materials by 2030.

“Our Belfast facility is key to us harnessing our technology to accelerate our mining, refining and recycling of magnets and heavy rare earths which are critical for the energy transition, advanced manufacturing, and defence,” he said.

The European Union’s media release states:

*“The Critical Raw Materials Act is intended to make the EU more competitive and sovereign. It aims to cut red tape, promote innovation along the entire value chain, support SMEs and boost research and the development of alternative materials and more environmentally friendly mining and production methods.*

*The legislation will set up economic incentives and a more stable and secure business framework for the deployment of mining and recycling projects, with faster and simpler authorisation procedures.”*

As a next step in this legislative process, the informal agreement must be approved by both EU Parliament and Council to become law. It will be put to a vote in the Industry, Research and Energy committee on 7 December 2023.

The Belfast Demonstration Plant location, has the ability for the Belfast facility to meet EU criterion based upon the Windsor Framework, providing dual market access across the EU and UK and

provides a platform for the Company to explore both commercialisation of the technology in Belfast and also wider Europe.

Authorised for release by the Board.

Links;

**Council of the European Union press release:** [Council and Parliament strike provisional deal to reinforce the supply of critical raw materials](#)

**European Parliament press release:** [Critical raw materials: deal on securing the EU's supply and sovereignty](#)

**The Windsor Framework:** [Political Declaration by the European Commission and the Government of the United Kingdom](#)

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## About Ionic Rare Earths Ltd

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

The Makuutu 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 rare earths oxides (REO). In March 2023, IonicRE announced a positive stage 1 Definitive Feasibility Study (DFS) for the first of six (6) tenements to progress to a Mining Licence Application (MLA) which is pending in Uganda. The Makuutu Stage 1 DFS defined a 35-year life initial project producing a 71% rich magnet and heavy rare earth carbonate (MREC) product basket and the potential for significant potential and scale up through additional tenements.

Ionic Technologies International Limited (“Ionic Technologies”), a 100% owned UK subsidiary acquired in 2022, 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 99.9% rare earth oxide (REO). In June 2023, Ionic Technologies announced initial production of high purity magnet REOs from its newly commissioned Demonstration Plant. This technology and operating Demonstration Plant provides first mover advantage in the industrial elemental extraction of REEs from recycling, enabling near term magnet REO production capability to support demand for early-stage alternative supply chains. In September 2023, Ionic Technologies announced with the support of the UK government, collaboration partnerships to build a domestic UK supply chain, from recycled REOs to metals, alloys and magnets and supplying UK based electric vehicles (EV) manufacturing, with potential to replicate across other key markets.

As part of an integrated strategy to create downstream supply chain value, IonicRE is also evaluating the development of its own magnet and heavy rare earth refinery, or hub, to separate the unique and high value magnet and heavy rare earths dominant Makuutu basket into the full spectrum of REOs plus scandium.

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.

IonicRE is a Participant of the UN Global Compact and adheres to its principles-based approach to responsible business.

### **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.*