



Quarterly Activities Report and Appendix 5B

September 2023 Quarter

Highlights

American Rare Earths (ASX: ARR | ADRs - OTCQX: AMRRY | Common Shares - OTCQB: ARRNF | FSE:1BHA) (**ARR** or **'the Company'**) announces its Quarterly Activities Report and Appendix 5B for the September quarter of FY2024. During the quarter, the Company made significant progress advancing exploration projects and establishing the new US based leadership team.

Halleck Creek

- Resource drilling commenced with a focus on high grade areas and testing mineralisation to depths of over 300m.
- An extensive field exploration program was conducted in the surrounding claims of Bluegrass, Sommers Flat, Trail Creek and the County Line areas.
- The current 1.43 billion tonne Maiden JORC Resource¹ remains open at depth and laterally.
- Metallurgical test work continued.

Beaver Creek

- Announced the new high-grade rare earth discovery in Wyoming.
- Results from surface sample assays showing TREO from 5.8% to 13.9%.
- Neodymium + Praseodymium grade ranged between 1% and 2.2%
- The claims land holding was increased 85% for a total area of 1,389 acres (562 hectares).

US Transformation

- The Company appointed US-based CEO, Donald S. Swartz II, who commenced his role at the Company's new headquarters in Denver, Colorado.
- Three new US-based Directors were appointed – Kenneth Traub, John Mansanti and Paul Zink.
- The Company appointed US-based CFO, Jose Rico.
- The Company announced its Sponsored level 1 ADR Program and began trading on the OTCQX market.

¹ Refer ASX Announcement 30 March 2023 American Rare Earths – 1.43 Billion Tonne JORC Resource

Corporate

In addition to the US transformation highlights above, the Company's former CEO and Managing Director, Chris Gibbs, and former President North America, Mel Sanderson, both transitioned to Non-Executive Director roles.

Cash and Financial Assets

The Company is well funded with a 30 September 2023 cash position of AUD\$9.6m. The Company has sufficient cash to carry out its planned activities for FY2024 with no current requirement to raise capital.

In addition, the Company holds significant financial assets associated with ASX listed Cobalt Blue Holdings (ASX: COB) and, during the quarter, became a substantial shareholder in Godolphin Resources (ASX: GRL) on September 4, 2023, with a 13.21% shareholding.

Expenditure

A net cash expenditure of AUD\$1.3m for operating activities was incurred during the quarter.

The main expenditure areas were administration and corporate costs AUD\$1.1m and staff costs AUD\$0.3m, partly offset by net income of AUD\$0.1m from interest received.

Cash expenditure for investing activities AUD\$1.8m consisted of costs attributed to investments in financial assets as well as investments in tenements and exploration & evaluation activities.

Aggregate payments to related parties are included in item 6 of Appendix 5B. Item 6.1 relates to the payment of salaries, superannuation, non-executive director fees and consulting fees for the current quarter together with some fees from the prior quarter. Item 6.2 relates to payment to Mr Geoffrey Hill a related party for the acquisition of Godolphin Resources shares which had been acquired on behalf of the company.

Tenement Schedule

Listings of tenements held as of 30 September 2023 are shown in Annexures 1 to 4.

ASX Announcements made during the quarter

28-Sep-23	ARR Provides Update on US Management
27-Sep-23	Annual Report to shareholders
27-Sep-23	Appendix 4G
27-Sep-23	2023 Corporate Governance Statement
14-Sep-23	Assay Results - Beaver Creek Rare Earths Project
8-Sep-23	Drilling to commence at Halleck Creek
5-Sep-23	Change of Director's Interest Notice
4-Sep-23	Becoming a Substantial Holder from ARR
23-Aug-23	Initial Director's Interest Notice
22-Aug-23	Initial Director's Interest Notice
22-Aug-23	Director Appointment - Paul Zink
21-Aug-23	Initial Director's Interest Notice
21-Aug-23	Director Appointment - John Mansanti
21-Aug-23	Notification regarding unquoted securities - ARR

18-Aug-23	Director Appointment - Ken Traub
18-Aug-23	Proposed issue of securities - ARR
15-Aug-23	ADR's begin trading on OTCQX
10-Aug-23	June 2023 Quarterly Activities
7-Aug-23	Quarterly Investor Update Webinar
28-Jul-23	Quarterly Activities/Appendix 5B Cash Flow Report
27-Jul-23	Donald S. Swartz II named new CEO of American Rare Earths
25-Jul-23	ARR stakes new high-grade rare earth deposit - Wyoming USA
20-Jul-23	Noosa Mining Conference - Investor Presentation
11-Jul-23	ARR appoints US-based Chief Financial Officer
6-Jul-23	Final Director's Interest Notice
6-Jul-23	US Transformation Update
3-Jul-23	Change of Director's Interest Notice

Focus for the December quarter and subsequent events

- As announced on 3 October, a core hole from the recent drill campaign showed consistent rare earth mineralization to a depth of 305 metres. This far exceeds the previous limit of 175 metres and depths used in the Maiden JORC Resource¹. The deposit continues to remain open.
- Results were announced for the exploration mapping and sampling initiative at Halleck Creek in the surrounding claims of Bluegrass, Sommers Flat, Trail Creek and the County Line areas. The results revealed potential for a larger, higher-grade REE resource. Future exploration programs are being planned, along with an updated JORC Exploration Target, which is forthcoming.
- The Company is completing the current development drilling program at Halleck Creek, further defining the measured and indicated resources. Assay results are pending.
- Under the guidance of Wood PLC the current metallurgical test work program is wrapping up and work during the next quarter will focus on optimising the current flowsheet and updating cost estimates to be used in a Preliminary Economic Assessment (PEA) and other commercialisation initiatives.

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

Mr Donald Swartz
Chief Executive Officer

Competent Persons Statement

This work was reviewed and approved for release by Mr Dwight Kinnes (Society of Mining Engineers #4063295RM), who is employed by American Rare Earths and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 JORC Code. Mr Kinnes consents to the inclusion in the report of the matters based upon the information in the form and context in which it appears.

About American Rare Earths Limited

American Rare Earths Limited (ASX: ARR, OTCQB: ARRNF, FSE: 1BHA) is a leading rare earth elements exploration and development company focused on its flagship Halleck Creek project in Wyoming, USA. With extensive mineral resources and a commitment to sustainable and responsible practices, ARR aims to become a prominent player in the global rare earths market. For more information, visit www.americanrareearths.com.au



1 – La Paz Tenements 30 September 2023

Mining tenements at the beginning of the quarter				Mining tenements acquired or disposed/expired during the quarter		Mining tenements held at the end of the quarter		
Serial Number	Claim Name	Claimant Name	Beneficial Interest %	Reference	Location	Serial Number	Claim Name	Claimant Name
639 Acres	Exploration License 008-120965-00	LA PAZ RARE EARTH LLC	100%			639 Acres	Exploration License 008-120965-00	LA PAZ RARE EARTH LLC
AZ101556959 - AZ101556965	LA PAZ-1 - LA PAZ-7	LA PAZ RARE EARTH LLC	100%			AZ101556959 - AZ101556965	LA PAZ-1 - LA PAZ-7	LA PAZ RARE EARTH LLC
AZ101558159 - AZ101558165	LA PAZ-8 - LA PAZ-14	LA PAZ RARE EARTH LLC	100%			AZ101558159 - AZ101558165	LA PAZ-8 - LA PAZ-14	LA PAZ RARE EARTH LLC
AZ101558166 - AZ101558178	LA PAZ-33 - LA PAZ-45	LA PAZ RARE EARTH LLC	100%			AZ101558166 - AZ101558178	LA PAZ-33 - LA PAZ-45	LA PAZ RARE EARTH LLC
AZ101559358 - AZ101559378	LA PAZ-46 - LA PAZ-66	LA PAZ RARE EARTH LLC	100%			AZ101559358 - AZ101559378	LA PAZ-46 - LA PAZ-66	LA PAZ RARE EARTH LLC
AZ101560374 - AZ101560379	LA PAZ-67 - LA PAZ-69	LA PAZ RARE EARTH LLC	100%			AZ101560374 - AZ101560379	LA PAZ-67 - LA PAZ-69	LA PAZ RARE EARTH LLC
AZ101560377	LA PAZ-71	LA PAZ RARE EARTH LLC	100%			AZ101560377	LA PAZ-71	LA PAZ RARE EARTH LLC
AZ101560378	LA PAZ-73	LA PAZ RARE EARTH LLC	100%			AZ101560378	LA PAZ-73	LA PAZ RARE EARTH LLC
AZ101560379	LA PAZ-75	LA PAZ RARE EARTH LLC	100%			AZ101560379	LA PAZ-75	LA PAZ RARE EARTH LLC
AZ101560380 - AZ101560389	LA PAZ-92 - LA PAZ-101	LA PAZ RARE EARTH LLC	100%			AZ101560380 - AZ101560389	LA PAZ-92 - LA PAZ-101	LA PAZ RARE EARTH LLC
AZ101859569 - AZ101859589	LA PAZ-108 - LA PAZ-128	LA PAZ RARE EARTH LLC	100%			AZ101859569 - AZ101859589	LA PAZ-108 - LA PAZ-128	LA PAZ RARE EARTH LLC
AZ101735180 - AZ101735200	LA PAZ-129 - LA PAZ-149	LA PAZ RARE EARTH LLC	100%			AZ101735180 - AZ101735200	LA PAZ-129 - LA PAZ-149	LA PAZ RARE EARTH LLC
AZ101736380 - AZ101736400	LA PAZ-150 - LA PAZ-170	LA PAZ RARE EARTH LLC	100%			AZ101736380 - AZ101736400	LA PAZ-150 - LA PAZ-170	LA PAZ RARE EARTH LLC
AZ101737338 - AZ101737358	LA PAZ-171 - LA PAZ-191	LA PAZ RARE EARTH LLC	100%			AZ101737338 - AZ101737358	LA PAZ-171 - LA PAZ-191	LA PAZ RARE EARTH LLC
AZ101738345 - AZ101738365	LA PAZ-192 - LA PAZ-212	LA PAZ RARE EARTH LLC	100%			AZ101738345 - AZ101738365	LA PAZ-192 - LA PAZ-212	LA PAZ RARE EARTH LLC
AZ101739385 - AZ101739391	LA PAZ-213 - LA PAZ-219	LA PAZ RARE EARTH LLC	100%			AZ101739385 - AZ101739391	LA PAZ-213 - LA PAZ-219	LA PAZ RARE EARTH LLC
AZ101924809 - AZ101924821	LA PAZ-220 - LA PAZ-232	LA PAZ RARE EARTH LLC	100%			AZ101924809 - AZ101924821	LA PAZ-220 - LA PAZ-232	LA PAZ RARE EARTH LLC
AZ101957743 - AZ101957763	LA PAZ-233 - LA PAZ-253	LA PAZ RARE EARTH LLC	100%			AZ101957743 - AZ101957763	LA PAZ-233 - LA PAZ-253	LA PAZ RARE EARTH LLC
AZ101958229 - AZ101958236	LA PAZ-254 - LA PAZ-261	LA PAZ RARE EARTH LLC	100%			AZ101958229 - AZ101958236	LA PAZ-254 - LA PAZ-261	LA PAZ RARE EARTH LLC
AZ105263134 - AZ105263153	LA PAZ-262 - LA PAZ-281	LA PAZ RARE EARTH LLC	100%			AZ105263134 - AZ105263153	LA PAZ-262 - LA PAZ-281	LA PAZ RARE EARTH LLC
AZ105764412 - AZ105764506	LA PAZ-282 - LA PAZ-376	LA PAZ RARE EARTH LLC	100%			AZ105764412 - AZ105764506	LA PAZ-282 - LA PAZ-376	LA PAZ RARE EARTH LLC



Appendix 2 – Halleck Creek Tenements 30 September 2023

Mining tenements at the beginning of the quarter				Mining tenements acquired during the quarter		Mining tenements held at the end of the quarter		
Serial Number	Claim Name	Claimant Name	Beneficial	Reference	Location	Serial Number	Claim Name	Claimant Name
WY101766644 - WY101766648	REX-1 - REX-5	Wyoming Rare (USA) Inc	100%			WY101766644 - WY101766648	REX-1 - REX-5	Wyoming Rare (USA) Inc
WY105250218 - WY105250231	REX 10 - REX 23	Wyoming Rare (USA) Inc	100%			WY105250218 - WY105250231	REX 10 - REX 23	Wyoming Rare (USA) Inc
WY105260482 - WY105260501	REX 25 - REX 43	Wyoming Rare (USA) Inc	100%			WY105260482 - WY105260501	REX 25 - REX 43	Wyoming Rare (USA) Inc
WY105250232 - WY105250260	REX 44 - REX 72	Wyoming Rare (USA) Inc	100%			WY105250232 - WY105250260	REX 44 - REX 72	Wyoming Rare (USA) Inc
WY105772327 - WY105772255*	REX 75 - REX 165	Wyoming Rare (USA) Inc	100%			WY105772327 - WY105772255*	REX 75 - REX 165	Wyoming Rare (USA) Inc
WY105772203 - WY105772278*	REX 167 - REX 176	Wyoming Rare (USA) Inc	100%			WY105772203 - WY105772278*	REX 167 - REX 176	Wyoming Rare (USA) Inc
WY105772299 - WY105772326*	REX 178 - REX 257	Wyoming Rare (USA) Inc	100%			WY105772299 - WY105772326*	REX 178 - REX 257	Wyoming Rare (USA) Inc
WY105804752 - WY105804869	REX 258 - REX 375	Wyoming Rare (USA) Inc	100%			WY105804752 - WY105804869	REX 258 - REX 375	Wyoming Rare (USA) Inc
0-43568 – 0-43571	Halleck Creek	Wyoming Rare (USA) Inc	100%			0-43568 – 0-43571	Halleck Creek	Wyoming Rare (USA) Inc
						*Non-inclusive range		

Appendix 3 – Searchlight Tenements 30 September 2023

Mining tenements at the beginning of the quarter				Mining tenements acquired during the quarter		Mining tenements held at the end of the quarter		
Serial Number	Claim Name	Claimant Name	Beneficial	Reference	Location	Serial Number	Claim Name	Claimant Name
NV105228419 - NV105228498	T-01 - T-80	Western Rare Earth LLC	100%			NV105228419 - NV105228498	T-01 - T-80	Western Rare Earth LLC

Appendix 4 – Beaver Creek Tenements 30 September 2023

Mining tenements at the beginning of the quarter				Mining tenements acquired during the quarter		Mining tenements held at the end of the quarter			
Serial Number	Claim Name	Claimant Name	Beneficial Interest %	Reference	Location	Serial Number	Claim Name	Claimant Name	Beneficial Interest %
				BM 1 - BM 27	Beaver Creek	WY106313626 - WY106313662	BM 1 - BM 27	Wyoming Rare (USA) Inc	100%
				0-43773	Beaver Creek	0-43773	0-43773	Wyoming Rare (USA) Inc	100%

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

American Rare Earths Limited

ABN

83 003 453 503

Quarter ended ("current quarter")

30 September 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(330)	(330)
(e) administration and corporate costs	(1,040)	(1,040)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	75	75
1.5 Interest and other costs of finance paid	(2)	(2)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(1,297)	(1,297)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	(269)	(269)
(c) property, plant and equipment	(37)	(37)
(d) exploration & evaluation	(533)	(533)
(e) investments	(958)	(958)
(f) other non-current assets	(14)	(14)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	1	1
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material): Lease payment	(15)	(15)
2.6	Net cash from / (used in) investing activities	(1,825)	(1,825)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	12,485	12,485
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,297)	(1,297)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,825)	(1,825)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	190	190
4.6	Cash and cash equivalents at end of period	9,553	9,553

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,987	6,696
5.2	Call deposits	7,566	5,789
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	9,553	12,485

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1*	352
6.2	Aggregate amount of payments to related parties and their associates included in item 2#	259
<p>* Includes some payments to Director's relating to fees for prior quarter. # Relates to the acquisition of shares on behalf of the company.</p> <p>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</p>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,297)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(533)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,830)
8.4	Cash and cash equivalents at quarter end (item 4.6)	9,553
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	9,553
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	5.22
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A		
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A		
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A		
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 27 October 2023

Authorised by: By the Audit and Risk Committee
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.