

27 July 2020

SHARE PURCHASE PLAN OVER-SUBSCRIBED

Ionic Rare Earths Limited (**ASX: IXR**) ("**IonicRE**" or the "**Company**") is pleased to announce that the Company's Share Purchase Plan ("**SPP**") which sought to raise A\$0.5 million has closed over-subscribed with valid applications for A\$1.28 million received.

The SPP funds, together with the A\$2.5 million recently raised through IonicRE's recent share placement places the Company in a very strong position to progress its Makuutu Rare Earths project.

The Company offered eligible shareholders in Australia and New Zealand the opportunity to subscribe for up to A\$30,000 worth of new fully paid ordinary shares in the capital of the Company ("**Shares**" or each a "**Share**"), without incurring brokerage or transaction costs. The issue price for Shares under the SPP was A\$0.008 per Share, being the same price at which Shares were issued in a placement to sophisticated and professional investors on 3 July 2020.

The Company has accepted applications totaling **A\$1.0 million** with SPP applicants being scaled back to this level. As a result, the Company will issue 125,000,036 new shares at A\$0.008 each. With regard to the scale back of oversubscriptions of the SPP, shareholders that applied for the minimum amount of A\$1,000 in full will receive the full number of Shares applied for; whereas, other applicants will receive approximately 79% of the number of Shares applied for.

IonicRE's Chief Executive Officer, Mr. Tim Harrison commented:

*"We are pleased to have received such strong support from our shareholders. We thank those shareholders who participated in the SPP and also our new shareholders that contributed to the recent share placement. The A\$3.5 million raised through the SPP and share placement places the Company in a strong position and we look forward to rewarding this support by continuing to demonstrate the quality of the Makuutu Rare Earths project (the "**Project**")."*

With this funding we can look forward to a number of significant activities over the next few months in relation to the Project, including;

- *The completion of the 3,800m drilling program;*
- *An updated resource estimate;*
- *IonicRE moving to 51% ownership of the Project*
- *Completion of the scoping study commenced in March 2020; and*
- *Further optimisation of metallurgical test-work."*

It is expected that the new Shares under the SPP will be issued by the Company and allotted to successful applicants by 31 July 2020, once processing of all applications and scale-back of oversubscriptions has been finalised.

Authorised for release by Brett Dickson, Company Secretary.

***** ENDS *****

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