**BARKLY RARE EARTHS LIMITED**
**(ACN 641 565 139)**

**SUPPLEMENTARY PROSPECTUS**

## IMPORTANT INFORMATION

This is a supplementary prospectus (**Supplementary Prospectus**) which supplements and is intended to be read with the prospectus dated 1 December 2025 (**Prospectus**) issued by Barkly Rare Earths Limited (ACN 641 565 139) (**Company**).

This Supplementary Prospectus is dated 8 January 2026 and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date. The ASIC, the ASX and their respective officers take no responsibility for the contents of this Supplementary Prospectus.

This Supplementary Prospectus must be read together with the Prospectus. Other than as set out below, all details in relation to the Prospectus remain unchanged. Terms and abbreviations defined in the Prospectus have the same meaning in this Supplementary Prospectus. If there is a conflict between the Prospectus and this Supplementary Prospectus, this Supplementary Prospectus will prevail.

This Supplementary Prospectus will be issued with the Prospectus as an electronic prospectus, copies of which may be downloaded free of charge from the Company's website at www.barklyrareearths.com.

This is an important document and should be read in its entirety. If you do not understand the information presented in this Supplementary Prospectus, you should consult your professional advisers without delay.

## 1. BACKGROUND TO THIS SUPPLEMENTARY PROSPECTUS

The Company has resolved to amend the ratio of the free-attaching New Options under the Public Offer from a 1:2 basis to 1:1 basis. Consequently, investors under the Public Offer will receive one (1) additional free-attaching New Option per Share issued and subscribed for under the Public Offer.

The Company and the Underwriter have agreed to vary the Underwriting Agreement to remove the Underwriter New Options and to reduce the number of New Options to be issued to the Joint Lead Managers. Accordingly, the Company has resolved to withdraw the Underwriter Offer.

The Company does not consider these amendments to be materially adverse to investors and therefore does not provide any withdrawal rights on that basis.

This Supplementary Prospectus has also been lodged to provide investors with an update to the extension of the Closing Date, which has been extended to 5:00pm (WST) on 15 January 2026.

The amendments to the Prospectus outlined in Section 2 below should be read in conjunction with the Prospectus.

## 2. AMENDMENTS TO THE PROSPECTUS

### 2.1 Key Offer Information

**Indicative Timetable**

The Indicative Timetable in Section 2 of the Prospectus is deleted and replaced with the following:

**INDICATIVE TIMETABLE**

| *Event* | *Date* |
|---|---|
| *Lodgement of Prospectus with ASIC* | *1 December 2025* |
| *Exposure Period begins* | *1 December 2025* |
| *Opening Date* | *9 December 2025* |
| *Lodgement of Supplementary Prospectus with ASIC* | *8 January 2026* |

| *Event* | *Date* |
|---|---|
| *Closing Date* | *5:00pm (WST) on 15 January 2026* |
| *Issue of Securities under the Public Offer* | *19 January 2026* |
| *Despatch of holding statements* | *19 January 2026* |
| *Expected date for quotation on ASX* | *22 January 2026* |

The above dates are indicative only and may change without notice. Unless otherwise indicated, all times given are in WST. The Exposure Period may be extended by the ASIC by not more than 7 days pursuant to section 727(3) of the Corporations Act. The Company reserves the right to extend the Closing Date or close the Public Offer early without prior notice. The Company also reserves the right not to proceed with the Public Offer at any time before the issue of Shares to applicants.

If the Public Offer is cancelled or withdrawn before completion of the Public Offer, then all application monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their applications as soon as possible after the Public Offer opens.

## 2.2 Key Statistics of the Offers

The following rows in the 'Key Statistics of the Offers" in Section 2 of the Prospectus is deleted and replaced with the following:

...

| | |
|---|---|
| *Ratio of free attaching New Options to Shares* | *1 for 1* |
| *New Options to be issued under the Public Offer* | *40,000,000* |
| *New Options to be issued under the Lead Managers Offer* | *6,750,000* |

...

| | |
|---|---|
| ***Shares on issue at Admission (fully diluted)*** [1] | ***148,429,127*** |

Footnote 4 is deleted and replaced with the following:

Based on the Offer Price of $0.20 per Share, the indicative market capitalisation at Admission is:

(a) $16,250,000 on an undiluted basis; and

(b) $29,685,825 on a fully diluted basis.

Prospective investors should note that the Shares may trade above or below the Offer Price.

The following row in the 'Key Statistics of the Offers" and the corresponding footnote 5 in Section 2 of the Prospectus is deleted:

...

| | |
|---|---|
| *New Options to be issued under the Underwriter Offer*[5] | *20,000,000* |

...

## 2.3 Terms of the Public Offer

The front cover, Part J of Section 3 of the Prospectus under the heading "What is the Public Offer?", the first paragraph of Section 4.1 of the Prospectus and footnote 5 of Section 5.9 are amended by deleting and replacing the following statement:

The Public Offer is an initial public offering of 40,000,000 Shares at an issue price of $0.20 per Share to raise $8,000,000 (before costs) together with one (1) free attaching New Option for every one (1) Share subscribed for and issued under the Public Offer.

### 2.4 Underwriter and Lead Manager Fees

Part F of Section 3 of the Prospectus under the heading "Who are the Underwriters and Joint Lead Managers to the Public Offer and what interests do they have in the Securities of the Company?" and Sections 4.5 and 9.1 of the Prospectus are amended as follows:

(a) the statement "a cash payment of $75,000 and the issue of 6,000,000 New Options, in consideration for ongoing corporate advisory services" is deleted and replaced with "*a cash payment of $75,000 and the issue of 4,800,000 New Options*", in consideration for ongoing corporate advisory services

(b) the reference to "one (1) New Option for every two (2) Shares underwritten under the Public Offer" is deleted; and

(c) the statement "in consideration for Cumulus Wealth acting as joint lead manager, the Company has agreed to pay Cumulus Wealth a cash payment of $30,000 and to issue 4,000,000 New Options to Cumulus Wealth" is deleted and replaced with "in consideration for Cumulus Wealth acting as joint lead manager, the Company has agreed to pay Cumulus Wealth a cash payment of $30,000 and to issue 1,950,000 New Options to Cumulus Wealth."

### 2.5 Directors' Interests

Part F of Section 3 of the Prospectus under the heading "What interests do the Directors and the Proposed Director have in the Securities of the Company?" and Section 8.4 of the Prospectus are amended by deleting the column "Fully Diluted (%)" and replacing it with the following:

| ***Director/ Proposed Director*** | ***...*** | ***At Admission*** |
|---|---|---|
| | | ***Fully Diluted (%)*** |
| *Gavin Lockyer[1,2]* | ... | *3.97%* |
| *Craig Wright[2,3,4]* | ... | *6.61%* |
| *René Sterk[5]* | ... | *3.07%* |
| *Gavin Beer[2]* | ... | *0.34%* |

### 2.6 Substantial Holders

Part F of Section 3 of the Prospectus under the heading "Who are the Company's substantial Shareholders, what interest will they have after completion of the Public Offer and who will the Company's substantial shareholders be on completion of the Public Offer?" and Section 5.10 of the Prospectus are amended by:

(a) deleting the table and replacing it with the following:

| ***Shareholder*** | ***Shares*** | ***Options*** | ***Performance Rights*** | ***Percentage (%)*** | |
|---|---|---|---|---|---|
| | | | | ***Undiluted*** | ***Fully Diluted*** |
| *René Sterk[1]* | *4,556,021* | *Nil* | *Nil* | *5.61%* | *3.07%* |
| *Craig Wright and Melissa Wright[3,4]* | *3,403,216* | *2,747,000* | *3,656,264* | *4.19%* | *6.61%* |

(b) deleting footnote 5.

### 2.7 Secondary Offers

The Underwriter Offer is withdrawn and removed from the Prospectus by deleting the paragraph (b) from paragraphs 1 and 4 in Section 4.9, and the definition of "Underwriter Offer" in the Glossary.

The Lead Managers Offer in Section 4.9 of the Prospectus is amended by deleting "10,000,000" and replacing it with "6,750,000".

The front cover be amended by deleting and replacing the following:

This Prospectus also contains secondary offers of up to an aggregate of 19,054,127 New Options (Secondary Offers).

### 2.8 Capital Structure

Part H of Section 3 of the Prospectus under the heading “What will the Company’s capital structure be on completion of the Public Offer and listing on ASX?” is amended by deleting “62,304,127” and replacing with “59,054,127”.

The Capital Structure in Section 5.9 of the Prospectus is to be amended by:

(a) deleting and replacing the number of New Options in the row “Securities to be issued pursuant to the Public Offer” from “20,000,000” to “40,000,000” and adjusting footnote 5 accordingly;

(b) deleting the row “New Options to be issued under the Underwriter Offer[7]” and adjusting the subsequent footnotes accordingly;

(c) deleting and replacing the number of New Options in the row “New Options to be issued under the Lead Managers Offer[8]” from “10,000,000” to “6,750,000”;

(d) deleting and replacing the total number of New Options in the row “Total Securities on issue at Admission” from “62,304,127’ to “59,054,127”; and

(e) deleting and replacing footnote 8 with the following:

*Pursuant to the Underwriting Agreement, the Company has agreed to issue the Joint Lead Managers 6,750,000 New Options, comprising 4,800,000 to Leeuwin Wealth and 1,950,000 to Cumulus Wealth. Refer to Section 9.1 for further details of the Underwriting Agreement. These New Options are being offered under the Lead Managers Offer as detailed in Section 4.9.*

### 2.9 Financial Section

Section 6 of the Prospectus is amended by:

(a) deleting and replacing the Pro Forma Statement of Financial Position in Section 6.8 of the Prospectus and replacing it with the Pro Forma Statement of Financial Section set out in Schedule 1 of this Supplementary Prospectus; and

(b) deleting and replacing Section 6.9(b) of the Prospectus (“Pro forma adjustments”) with the following:

*The value of options issued to the Lead Manager (6,750,000 options with a value of $641,270) have been recognised against capital raising costs and the value of options issued to Directors (5,664,000 options with a value of $538,098) have been recognised against Accumulated losses;*

(c) deleting and replacing the reviewed pro forma issued capital table Section 6.13 of the Prospectus (“Issued Capital”) with the following:

| | $8m Subscription | |
|---|---|---|
| | **No. Of Shares** | **$** |
| Issued capital as at 30 June 2025 | 142,066,275 | 2,968,094 |
| Pro forma adjustments: | | |
| Shares consolidated following shareholder approval on 7 November 2025 | (114,763,747) | - |
| Shares issued pursuant to the Loyalty Offer | 7,697,472 | - |
| Shares issued pursuant to the Pre-IPO Seed Raising | 4,616,925 | 738,708 |
| Shares issued pursuant to the Debt Conversion | 1,633,075 | 261,292 |

| | $8m Subscription | |
|---|---|---|
| | **No. Of Shares** | **$** |
| Shares issued under Public Offer | 40,000,000 | 8,000,000 |
| Costs associated with the Series D Offer, the Public Offer and Lead Manager options applied against issued capital | - | (1,165,591) |
| **Pro forma issued capital** | **81,250,000** | **10,802,501** |

(d) deleting and replacing the reviewed pro forma options reserve table Section 6.14 of the Prospectus ("Reserves") with the following:

| | $8m Subscription | |
|---|---|---|
| | **No. Of Options** | **$** |
| Issued options as at 30 June 2025 | 2,030,000 | - |
| Pro forma adjustments: | - | - |
| Options cancelled on agreement prior to the Former Optionholders Offer | (2,030,000) | - |
| Options issued under the Former Optionholders Offer | 390,127 | - |
| New Options to be issued under the Debt Conversion Offer | 1,633,075 | - |
| New Options to be issued to pre-IPO capital raising participants under the Placement Participants Offer | 4,616,925 | - |
| New Options to be issued under the Public Offer | 40,000,000 | - |
| New Options to be issued under the Lead Managers Offer[5] | 6,750,000 | 641,270 |
| New Options to be issued under the KMP Offer[5] | 5,664,000 | 538,098 |
| **Pro forma options reserve** | **59,054,127** | **1,179,368** |

## 3. CONSENTS

HLB Mann Judd has given its written consent to the inclusion of the pro forma balance sheet that is included in Schedule 1 of this Supplementary Prospectus in the form and context in which the information is included.

The Company confirms that as at the date of this Supplementary Prospectus, each of the parties that have been named as having consented to being named in the Prospectus have not withdrawn that consent.

## 4. DIRECTORS' AUTHORISATION

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Supplementary Prospectus with the ASIC.

## SCHEDULE 1 – REVISED PRO FORMA STATEMENT OF FINANCIAL POSITION

| | Note | Barkly Rare Earths Limited 30 Jun 2025 $ | Subsequent Events $ | Pro Forma Adjustments $ | Pro Forma $8m Subscription $ |
|---|---|---|---|---|---|
| ***Assets*** | | | | | |
| ***CURRENT ASSETS*** | | | | | |
| *Cash and cash equivalents* | *(a)* | *42,967* | *395,942* | *6,363,025* | *6,801,934* |
| *Trade, other receivables & prepay.* | | *59,342* | *57,903* | *112,705* | *229,949* |
| ***TOTAL CURRENT ASSETS*** | | ***102,309*** | ***453,845*** | ***6,475,730*** | ***7,031,884*** |
| ***NON-CURRENT ASSETS*** | | | | | |
| *Exploration asset* | | *6,801* | *-* | *-* | *6,801* |
| *Property, plant and equipment* | | *915* | *-* | *-* | *915* |
| ***TOTAL NON-CURRENT ASSETS*** | | ***7,716*** | ***-*** | ***-*** | ***7,716*** |
| ***TOTAL ASSETS*** | | ***110,025*** | ***453,845*** | ***6,475,730*** | ***7,039,600*** |
| ***LIABILITIES*** | | | | | |
| ***CURRENT LIABILITIES*** | | | | | |
| *Trade and other payables* | | *-* | *-* | *-* | *-* |
| *Payroll and other accruals* | | *41,812* | *-* | *(41,812)* | *-* |
| *Related party loan* | *(b)* | *52,708* | *108,507* | *(161,215)* | *-* |
| *GST payable* | | *2,180* | *(2,180)* | *-* | *-* |
| ***TOTAL CURRENT LIABILITIES*** | | ***96,700*** | ***106,327*** | ***(203,026)*** | ***-*** |
| ***TOTAL LIABILITIES*** | | ***96,700*** | ***106,327*** | ***(203,026)*** | ***-*** |
| ***NET ASSETS*** | | ***13,325*** | ***347,518*** | ***6,678,756*** | ***7,039,600*** |
| ***EQUITY*** | | | | | |
| *Issued capital* | | *2,968,094* | *955,678* | *6,878,730* | *10,802,502* |
| *Options reserve* | *(c)* | *-* | *-* | *1,179,368* | *1,179,368* |
| *Accumulated losses* | | *(2,954,769)* | *(608,159)* | *(1,379,341)* | *(4,942,270)* |
| ***TOTAL EQUITY*** | | ***13,325*** | ***347,518*** | ***6,678,756*** | ***7,039,600*** |