

NT GOVERNMENT CO-FUNDING TO SUPPORT BARKLY EXPANSION DRILLING

Barkly Rare Earths Limited (**ASX:BAK**) (**'Barkly'** or the **'Company'**) advises that it has been successful in its application for up to A\$115,000 in non-dilutive co-funding to support expansion drilling at its 100%-owned Barkly Rare Earths Project in the Northern Territory.

The grant was awarded under Round 19 of the Northern Territory Government's Geophysics and Drilling Collaborations Programme and is expected to offset eligible exploration costs for the Phase-1 resource drilling programme at Barkly, subject to the terms and conditions of the grant. It follows a separate A\$115,000 grant for metallurgical work under the same grant funding programme, as announced on 10 June 2026.

The co-funded work will comprise ~1,200 m of drilling across ~20 shallow stratigraphic control holes to a depth of 60 m. The drilling is designed to examine untested areas beyond the existing Inferred Mineral Resource and generate geological data to inform future resource targeting across the 5,030-km² Barkly Project.

- Barkly has been offered up to A\$115,000 in non-dilutive co-funding, reducing the Company's direct cost exposure to planned Phase-1 drilling.
- Drilling will assess untested areas beyond the current Inferred Mineral Resource and test the lateral and vertical extent of shallow rare-earth-element (REE) mineralisation across the 5,030-km² Barkly Project and refine targets for potential resource growth.
- Initial stratigraphic drillholes are expected to be drilled in July, providing a near-term exploration catalyst within Barkly's broader 2026 exploration strategy.

Management Comment

"This co-funding offer recognises the technical merit and exploration potential of the Barkly Project, while reducing the Company's cost exposure to an important phase of growth-focussed drilling."

The Barkly Project hosts a shallow rare-earth-element resource with significant magnet rare earth content. The stratigraphic control drillholes are designed to test whether the mineralised horizon extends into underexplored areas of our large, 100%-owned tenement package, while improving our understanding of the stratigraphic and basin controls on mineralisation.

The drilling has the potential to generate useful geological data, refine future drill targeting, and support Barkly's ongoing assessment of the project's scale potential."

Craig Wright, Managing Director

STRATIGRAPHIC CONTROL DRILLING

Co-Funding Grant

The Geophysics and Drilling Collaborations (GDC) programme is a competitive Northern Territory Government initiative that co-funds projects designed to address geoscientific knowledge gaps, advance exploration activity, and support resource discovery and development in the Northern Territory.

The A\$115,000 grant matches Barkly's commitment to fund the stratigraphic control holes on a dollar-for-dollar basis, reducing direct cost exposure while supporting priority exploration work. The first 60-m-deep hole is expected to be drilled in July as part of the Company's Phase-1 drilling programme. The remaining Phase-1 drillholes that are not co-funded are shallow, averaging 23 m in depth.

The grant is expected to offset eligible direct exploration costs, enabling Barkly to advance priority geological work in a capital efficient manner.

Drilling Objectives

The stratigraphic drilling is planned to test to a maximum depth of ~60 m, sufficient to assess the interpreted REE-bearing Cretaceous sediments and penetrate underlying stratigraphy of the Carpentaria and McArthur basins.

The drilling will test the Company's geological model of a regionally extensive, shallow, sediment-hosted REE system developed within a palaeo-marine embayment of the Carpentaria Basin. Results are expected to help define basin architecture, stratigraphic controls, facies relationships, and the potential for deeper or repeated mineralised horizons, supporting more focussed future exploration and resource growth targeting.

Planned work will include one-metre sample collection, in-field pXRF screening, multi-element laboratory analysis including REE suites, petrographic work on key mineralised intervals and standard quality-control procedures.

This announcement has been authorised for release by the Board of Barkly Rare Earths Limited.
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About Barkly Rare Earths Limited:

Barkly Rare Earths Limited (**ASX:BAK**) is an Australian mineral exploration company focussed on the discovery and development of economic mineral deposits, driven by technical expertise, and disciplined execution. Its strategy is to discover, delineate, and develop deposits capable of supporting long-term production to meet growing global demand.

The company's flagship Barkly Project in Australia's Northern Territory, has an initial Inferred Mineral Resource of 40 Mt @ 710 ppm Magnet Rare Earth Oxide (MREO), within 2,100 ppm Total Rare Earth Oxide (TREO) (reported above a 430-ppm NdPr cut-off grade). The Mineral Resource includes a high terbium component, with low uranium and thorium. Initial conventional leaching tests achieved 74% MREO extraction, with initial beneficiation test work returning a mineral concentrate of 29,000 ppm TREO. The consistently high magnet rare-earth grade, and continuity of mineralisation, which spans 5,030 km² held 100% by Barkly Rare Earths, presents an opportunity to build a project of global significance.

At the company's Buntine Project in the Northern Territory, the Fraynes Formation is chronostratigraphically equivalent to the Barney Creek Formation that hosts the McArthur River Pb-Zn deposit, making the Fraynes Formation a target for greenfields base metal exploration. Polymetallic mineralisation is exposed at the Buntine Project along a nine-kilometre (9 km) strike length of late-Paleoproterozoic sedimentary rocks and overlying Cenozoic sediments, with three different anomalous zones of Pb-Co, U-W-Pb-Ni, and Zn-Pb-Co-Cu along the mineralised corridor. Rock chip samples grade up to 667 ppm Zn, 1% Pb, 1,760 ppm Co, 316 ppm Cu, 10% Mn, 7,100 ppm Ni, and 239 ppm Cr.

For more information, please visit: <https://barklyrareearths.com/>.

Forward Looking Statements

This announcement includes various 'forward-looking statements' with respect to, among other things, goals, plans, and strategies. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors beyond the control of the Company that may cause the actual results, performance and outcomes to be materially different from those expressed or implied by such statements. Forward-looking statements are provided as a general guide only and should not be relied on as an indication or guarantee of future performance. Given these uncertainties, recipients are cautioned not to place undue reliance on any forward-looking statement. Subject to any continuing obligations under applicable law, the Company disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements in this announcement to reflect any change in expectations in relation to any forward-looking statements or any change in events, conditions or circumstances on which any such statement is based.

Previous Disclosure

The information in this announcement that relates to Exploration Results and Mineral Resources is extracted from the previous report titled Barkly and Buntine Projects, Northern Territory, Australia, Independent Technical Report, as Annexure A to the Company's Prospectus, of 1 December 2025. The previous report was prepared in accordance with the 2012 Edition of the JORC Code, and it is available to view at the Company's website www.barklyrareearths.com. The Company confirms that it is not aware of any new information or data, as at the date of this announcement, that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's (Paul Teniere) findings are presented have not been materially modified from the original market announcement.

Glossary

TREO (Total Rare Earth Oxide)

$\text{La}_2\text{O}_3 + \text{CeO}_2 + \text{Pr}_6\text{O}_{11} + \text{Nd}_2\text{O}_3 + \text{Sm}_2\text{O}_3 + \text{Eu}_2\text{O}_3 + \text{Gd}_2\text{O}_3 + \text{Tb}_4\text{O}_7 + \text{Dy}_2\text{O}_3 + \text{Ho}_2\text{O}_3 + \text{Er}_2\text{O}_3 + \text{Tm}_2\text{O}_3 + \text{Yb}_2\text{O}_3 + \text{Lu}_2\text{O}_3 + \text{Y}_2\text{O}_3$

NdPr (Neodymium-Praseodymium mixed oxide)

$\text{Nd}_2\text{O}_3 + \text{Pr}_6\text{O}_{11}$

MREO (Magnet Rare Earth Oxide)

$\text{Nd}_2\text{O}_3 + \text{Pr}_6\text{O}_{11} + \text{Tb}_4\text{O}_7 + \text{Dy}_2\text{O}_3$

MREO Ratio (%)

$\text{MREO}/\text{TREO} \times 100$