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Zacks Small-Cap Research

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Ionic Rare Earths Ltd. (OTCQB: IXRRF)

IXRRF: Initiation of innovative critical minerals company engaged in the recycling and production of rare earth oxides. Global supply chain issues provide long-term tailwinds.

Utilizing a Discounted Cash Flow process containing conservative estimates combined with other valuation methodologies, we believe IXRRF could be worth **US$1.00** per share.

Current Price (08/17/26)	US$0.20
Valuation	**US$1.00**

OUTLOOK

Ionic Rare Earths is pioneering high performance magnet rare earth oxide production while securing a circular economy for REEs and Neodymium-Iron-Boron (NdFeB) magnets with a combination of advanced recycling, refining, and manufacturing capabilities. The company has a three pronged platform with potential operations in the U.K., Brazil and Uganda. Opportunities in the U.S. are also being explored. The company appears to be well capitalized with multiple government funding options. Our outlook is for strong profitable growth as commercial operations commence at the Belfast plant in 2028.

SUMMARY DATA

52-Week High	**$1.14**
52-Week Low	**$0.16**
One-Year Return (%)	**N/A**
Beta	**N/A**
Average Daily Volume (sh)	**16,024**
Shares Outstanding (mil)	**226**
Market Capitalization ($mil)	**45**
Short Interest Ratio (days)	**N/A**
Institutional Ownership (%)	**N/A**
Insider Ownership (%)	**N/A**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**N/A**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/A**
P/E using 2026 Estimate	**N/A**
P/E using 2027 Estimate	**N/A**

Risk Level	**High**
Type of Stock	**Growth**
Industry	**Recycling/Mining**

ZACKS SCR ESTIMATES

Revenue
(in millions of $)

	Q1 (Sep)	1H (Dec)	Q3 (Mar)	2H (Jun)	Year (Jun)
2025	.	$0.7 A		$1.5 A	$2.2 A
2026		$0.8 A		$1.2 E	$2.0 E
2027					$2.0 E
2028					$28.2 E

EPS / Loss Per Share

	Q1 (Sep)	1H (Dec)	Q3 (Mar)	2H (Jun)	Year (Jun)
2025		-$0.01 A		-$0.01 A	-$0.02 A
2026		-$0.03 A		-$0.02 E	-$0.05 E
2027					-$0.08 E
2028					-$0.05 E

Quarterly estimates may not equal annual EPS due to rounding, dilution or intangibles. Estimates may be non-GAAP.

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KEY INVESTMENT POINTS

Source: ionicre.com

- Ionic Rare Earths (OTCQB: IXRRF) is a critical minerals company engaged in the production and recycling of rare earth oxides. They have a credible pathway to produce commercial-scale separated rare earth oxides by utilizing a proprietary hydrometallurgical process to recover critical materials from recycled magnets and manufacturing swarf (metal waste material).

- Ionic's 2024 Definitive Feasibility Study provides the blueprint for its inaugural commercial facility in Belfast, UK, which is a 1,200 tpa feedstock plant yielding approximately 400 tpa of rare earth oxides, with first production targeted for the 2nd quarter of calendar year 2028.

- The company currently operates a demonstration plant in Belfast, in operation since 2024, which processes magnet feed at a 30 tonnes per annum rate, with metallurgical recovery circa 94-95%, and producing at a rate of approximately 10 tonnes per annum of NdPr, Dy, and Tb oxides produced at purities above 99.5%.

- The company's core value proposition depends on a modular, capital-light recycling model reinforced by patented leach and separation technology, with the strategic goal of establishing a non-Chinese supply chain for the NdPr, Dy, and Tb oxides consumed directly in permanent magnet production.

- The company has assembled a geographically diversified partnership network to support international expansion of its platform, including a 50/50 joint venture with Viridis Mining (ASX: VMM) in Brazil, an MOU with US Strategic Metals, and an offtake-aligned MOU with South Korean magnet manufacturer JS Link.

- Complementing its recycling business, Ionic holds a 60% interest in the Makuutu Ionic clay rare earth deposit in Uganda, a resource that, at full development, could supply heavy REE feedstock internally to support as many as five Belfast-equivalent processing modules.

- The regulatory backdrop is favorable due to the EU's Critical Raw Materials Act which targets 25% recycled-source consumption by 2030. Ionic's Northern Ireland facility is positioned to qualify under both UK and EU grant funding frameworks, strengthening the case for public co-investment.

- Total capital required for the Belfast commercial plant is estimated at A$170 million, with up to A$80 million expected to be sourced from UK government grants. A final funding decision represents a near-term catalyst and is anticipated in the 3rd quarter of 2026.

- As of 6/30/26, the company had A$3.5 million in cash and no long-term or short-term debt. After June 30, 2026, the company raised approximately A$8.0 million (A$7.5 million immediately) in a placement offering (see below).

- The current market capitalization is approximately US$45 million.

- Based on our DCF valuation and other valuation approaches, we believe IXRRF is worth approximately **US$1.00** per share.

OVERVIEW

Source: ionicre.com

Ionic Rare Earths (OTCQB: IXRRF) is a critical minerals company focused on building a supply chain for magnet rare earth elements such as neodymium, praseodymium, dysprosium, and terbium. These materials are essential for high-performance permanent magnets used in electric vehicles, wind turbines, robotics, and defense applications. Instead of relying solely on traditional mining, the company is positioning itself around a “circular economy” model that recycles existing materials, refines them into high-purity oxides, and eventually supplements supply with mined resources.

The core of Ionic’s near-term business is its magnet recycling technology, developed through its Ionic Technologies subsidiary in Belfast, UK. This hydrometallurgical process can take in end-of-life magnets and manufacturing scrap (swarf) and separate them into individual rare earth oxides at high purity levels. The process is designed to be flexible in terms of feedstock and offers environmental advantages, with significantly lower carbon emissions compared to conventional mining and refining. This recycling platform is currently the most advanced part of the business and is transitioning toward commercial-scale production, supported by interest from automotive and clean energy supply chains.

In addition to recycling, Ionic is building out rare earth separation and refining capabilities, which represent the highest value and most technically complex part of the industry. Through its technology, the company can take mixed rare earth materials, whether from recycled sources or mined ore, and separate them into individual, saleable oxides suitable for magnet manufacturing.

A key expansion initiative is its involvement in Brazil through the Viridion joint venture, which plans to apply Ionic’s processing technology to locally sourced feedstock. This expansion is intended to establish Ionic as a global refining platform, not just a recycler, and to support Western supply chain independence from China’s dominant position in rare earth processing.

The company’s long-term asset base also includes the Makuutu Rare Earths Project in Uganda, a large Ionic adsorption clay deposit that contains a mix of magnet and heavy rare earth elements. Makuutu is relatively shallow and low in radioactive impurities, which makes it potentially more straightforward to develop compared to many conventional rare earth deposits. While still in the development stage, it provides Ionic with upstream optionality that could eventually feed into its recycling and refining operations, creating an integrated supply chain. On July 31, 2026, the company announced it initiated a strategic review of this project due to strong inbound interest and a global, Western search for new and independent sources of medium and heavy rare earths supply. The review will evaluate opportunities to enhance value creation and accelerate development of the Makuutu project

In addition, in 2025, the company signed an MOU with Missouri based U.S. Strategic Metals (USSM) in order to pursue opportunities to align rare earth and critical mineral production with multi-metallic downstream processing in the U.S.

Ionic Rare Earths is still in a pre-commercial phase, but its strategy is to become a vertically integrated rare earth supplier combining recycling, refining, and mining into a single global system aimed at securing non-Chinese supply of critical magnet materials.

As of 6/30/26, the company had A$3.5 million in cash and no long-term or short-term debt. Subsequent to the end of the quarter, the company raised approximately A$8.0 million (A$7.5 million immediately) in a placement offering (see below).

INTEGRATED PLATFORMS

Ionic Technologies (Belfast Operations)

Source: ionicre.com

The company currently operates a fully functional demonstration plant at Belfast Harbour, the UK's largest single port estate, which has been running on a continuous basis since January 2024. The facility processes both end-of-life permanent magnets and manufacturing swarf, producing high-purity separated neodymium, praseodymium, dysprosium, and terbium oxides at purities of 99.5 to 99.9%. Current rare earth oxide (REO) production capacity is approximately 10 tpa. Ionic claims to be the only company outside China capable of recycling and separating all four critical magnet rare earth oxides at scale, a distinction that has taken on heightened strategic significance following China's April 2025 export restrictions on medium and heavy rare earths. Belfast was selected for solid industrial structural reasons including harbor that offers strong port infrastructure including an offshore wind terminal, dual UK and EU market access via the Windsor Framework, and a growing hydrometallurgy talent pipeline anchored by Queen's University Belfast.

The technology risk has been mitigated through a disciplined, phased scale-up from lab scale completed in April 2022, through pilot scale in July 2022, to the current demonstration plant, representing a cumulative 20x increase in throughput. Commercial validation has followed, most notably through the successful incorporation of Ionic's separated oxides into an electric motor for Ford, described as the first such achievement by a magnet recycler, alongside a supply arrangement with US-based Advanced Magnet Lab for the defense sector. The next phase in 2026, under the UK Government's DRIVE35 CirculaREEconomy program, will involve testing recycled rare earth materials within permanent magnets used in Ford EVs, with Tier-1 OEM participants including Bentley and Wrightbus which further enforces the company’s strength in emerging Western EV supply chains.

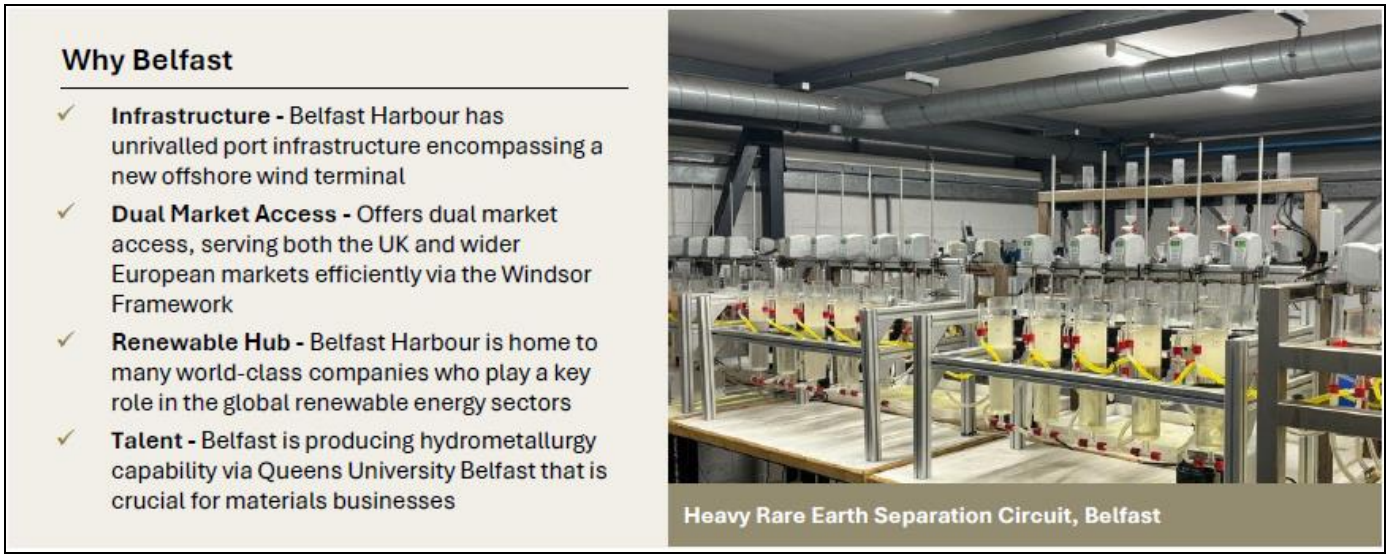
The large scale commercial plant, to be built on the same Belfast site, is designed to produce 400 tpa of high-purity separated rare earth oxides, a 40x increase from current demonstration capacity. Total capital cost is expected to be approximately £85 million, with construction targeted for completion in the first half of calendar year 2028. Ionic's November 2024 Definitive Feasibility Study modelled a post-tax NPV of US$502 million and a post-tax IRR of 43.6% under 2024 pricing conditions and uses a 7.5% discount rate. This includes a payback period of 2.4 years and projected lifetime EBITDA of US$1.8 billion and net revenue of US$2.1 billion, at an operating cost of US$27.68 per kilogram of REO produced.

Figure 1: Render of the Belfast Commercial Plant (generated by WSP).

Source: ionicre.com

These metrics may be materially conservative given the sharp upward movement in rare earth prices following China's 2025 export controls, with heavy rare earth prices rising six to sevenfold across the category and yttrium up more than 100-fold in certain instances. This suggests the DFS figures may be a floor case rather than a base case.

In terms of funding, the UK government offered a £12 million capital grant in January 2026 under the DRIVE35 program, administered through the Advanced Propulsion Centre, with continued discussions for the remaining balance of the £85 million package. A cornerstone capital commitment has already been received, and the project is directly aligned with the UK's Critical Minerals Strategy announced in November 2025, which targets reduced dependence on foreign mineral supply, reinforcing the policy environment supporting the facility's development. An updated feasibility study incorporating revised price assumptions has not yet been released, though management has indicated current conditions would materially enhance all key metrics. There is also a modular optimization program underway to develop a dedicated 400 tpa production line designed to enable hyperscale replication of the Belfast model.



Source: ionicre.com

Ionic is targeting a Final Investment Decision by September 2026, with first commercial production expected approximately two years from now. Beyond Belfast, the modular architecture of the platform is designed for international replication, with multiple US opportunities currently under assessment and a growing pipeline of joint venture structures being evaluated globally. This positions the Belfast plant as not only as a standalone asset but as the commercial template for a global rare earth recycling network.

Viridion JV (Brazil)

VIRIDION rare earths

Source: ionicre.com

In April 2024, Ionic and Viridis Mining (ASX: VMM) established Viridion, a 50/50 joint venture targeting the development of a dedicated rare earth refining and magnet recycling facility in Brazil. Under this arrangement, Ionic contributes its proprietary separation technology expertise to provide the basis for the commercial operations, while Viridis supplies Mixed Rare Earth Carbonate processed from its potentially major, high-grade Ionic Adsorption Clay Colossus Project. This will create a closed-loop production and supply chain for separated REO product within a supportive Brazilian regulatory and commercial jurisdiction.

Source: ionicre.com

The JV has secured important government backing, having been shortlisted in June 2025 by Brazil's National Bank for Economic and Social Development (BNDES) and the Federal Agency for Funding Authority for Studies and Projects (FINEP) as part of their A$1.4 billion development program. The venture passed the second-stage assessment in July 2025 and is now progressing through the financial evaluation process, a development that meaningfully de-risks the funding pathway and signals strong state alignment with the project's strategic objectives.

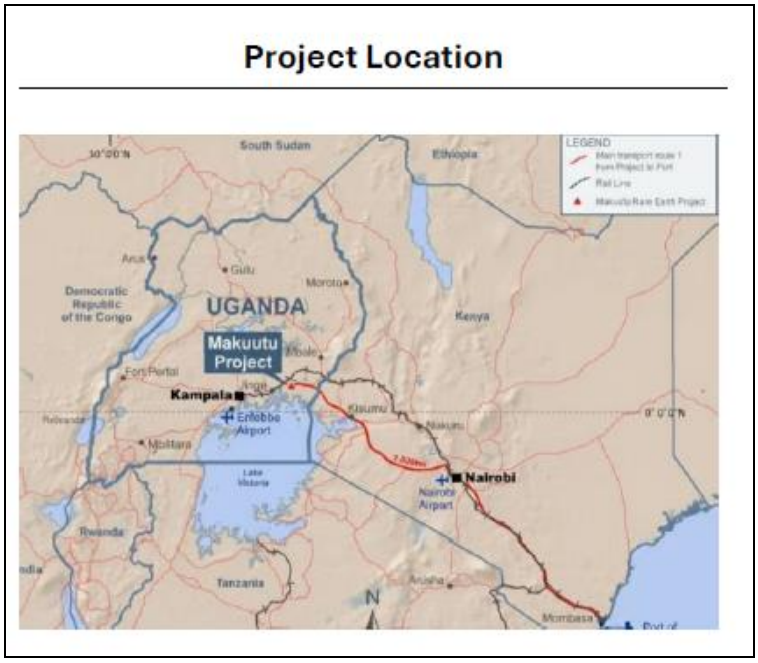
Source: ionicre.com

The capital structure of the JV has been designed to minimize upfront requirements for Ionic, with land supplied by the Brazilian government significantly reducing the capital burden and accelerating the timeline to first production. This low capital model is a deliberate strategic plan which preserves the company’s balance sheet while enabling international platform expansion. Longer term, the Brazilian operation is positioned to serve growing demand from US-aligned supply chains seeking ex-China sources of separated rare earth products and recycled magnet material, with the JV structure also providing a potential template for Ionic's broader U.S. expansion strategy.

Makuutu (Uganda)

Source: ionicre.com

The Makuutu project in Uganda is an Ionic adsorption clay (IAC) rare earth deposit in which Ionic holds a 60% interest through local Ugandan entity Rwenzori Rare Metals Ltd. The project covers 300 km² of mineral tenements along a 37 km IAC mineralization trend and is distinguished by an unusually heavy rare earth oxide basket, with HREO comprising 45% of total rare earth content. This compares favorably to competitors such as MP Materials, where HREO represents less than 1% of the deposit, and Lynas Rare Earths at approximately 6%. This makes Makuutu as one of the most REE-enriched development-stage deposits outside China.



Source: ionicre.com

The project is described as near shovel-ready with a completed mineral resource estimate, Stage 1 ore reserve estimate, approved environmental permits, an approved mining license, and existing infrastructure already installed on site. A demonstration plant commenced producing Mixed Rare Earth Carbonate in March 2024 to support offtake partner negotiations, providing early product validation ahead of a development decision. The Stage 1 Definitive Feasibility Study outlines a 35-year project life requiring pre-production capital of US$120.8 million, returning a pre-tax NPV of US$406 million, a post-tax IRR of 32.7%, post-tax free cash flow of US$1.0 billion, and lifetime EBITDA of US$1.3 billion.

Table 2: Makuutu Resource above 200ppm TREO-CeO2 Cut-off Grade (ASX: 15 May 2024).

Resource Classification	Tonnes (millions)	TREO (ppm)	TREO- CeO_2 (ppm)	LREO (ppm)	HREO (ppm)	CREO (ppm)	Sc_2O_3 (ppm)
Indicated	517	650	440	470	170	220	30
Inferred	99	560	380	420	140	190	30
Total	**617**	**630**	**430**	**460**	**160**	**210**	**30**

Rounding has been applied to 1Mt and 10ppm which may influence averaging calculation.

All REO are tabulated in ASX announcement 15th May 2024 with formulas defining composition of (Light Rare Earth Oxides ("LREO"), Heavy Rare Earth Oxides ("HREO") and Critical Rare Earth Oxides ("CREO").

Source: ionicre.com

The strategic importance of Makuutu extends beyond its standalone economics. As a source of heavy REE feedstock, the deposit is directly complementary to the company's Belfast and Brazil recycling operations, with the potential to supply internal HREO material to multiple Belfast-scale processing modules over time. Ionic is currently assessing available options to develop or realize value from the asset, leaving open the possibility of a partial divestment, JVs, or project financing structure that could create value for shareholders while funding progression toward first production.

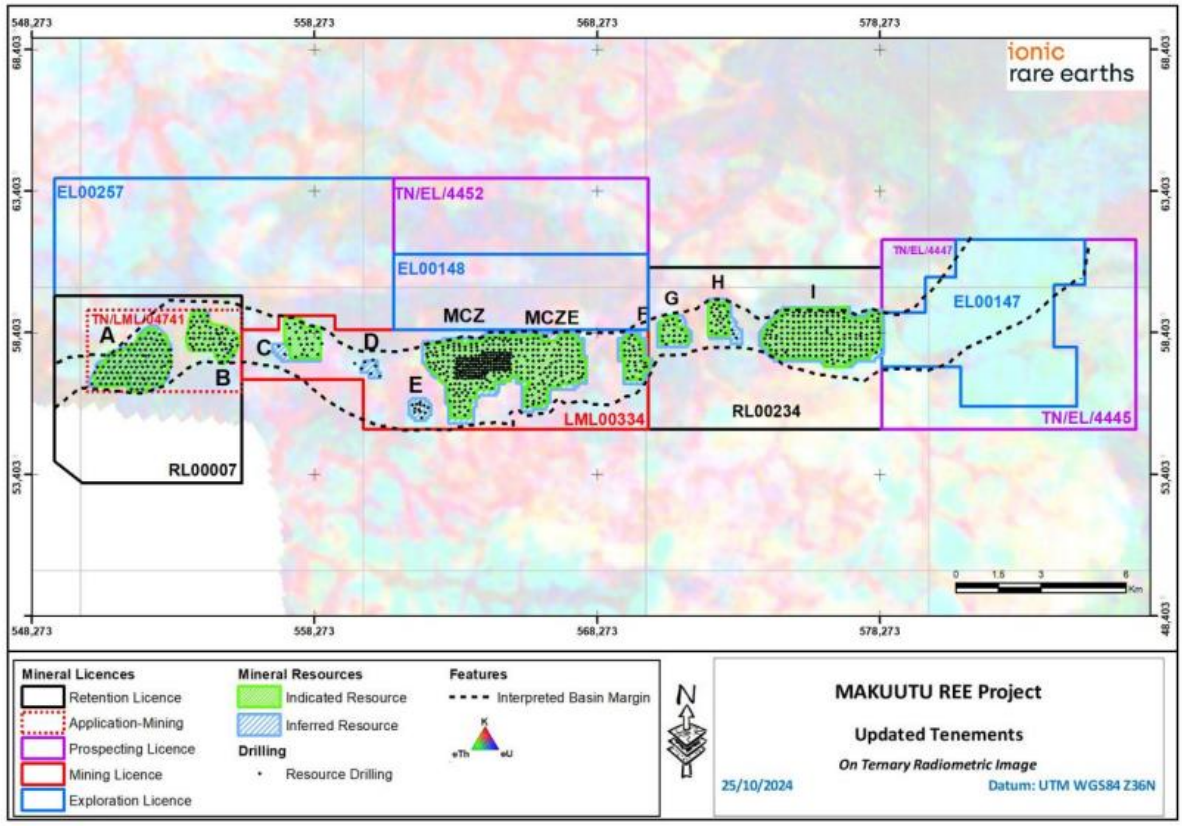


Figure 12: Makuutu Heavy Rare Earths Project mineral tenements including MLA over a selection of RL00007, TN04741 (red dashed border).

Source: ionicre.com

On July 31, 2026, the company announced that it initiated a strategic review of this project due to strong inbound interest and a global, Western search for new and independent sources of medium and heavy rare earths supply. The review will evaluate opportunities to enhance value creation and accelerate development of the Makuutu project

RARE EARTH ELEMENTS

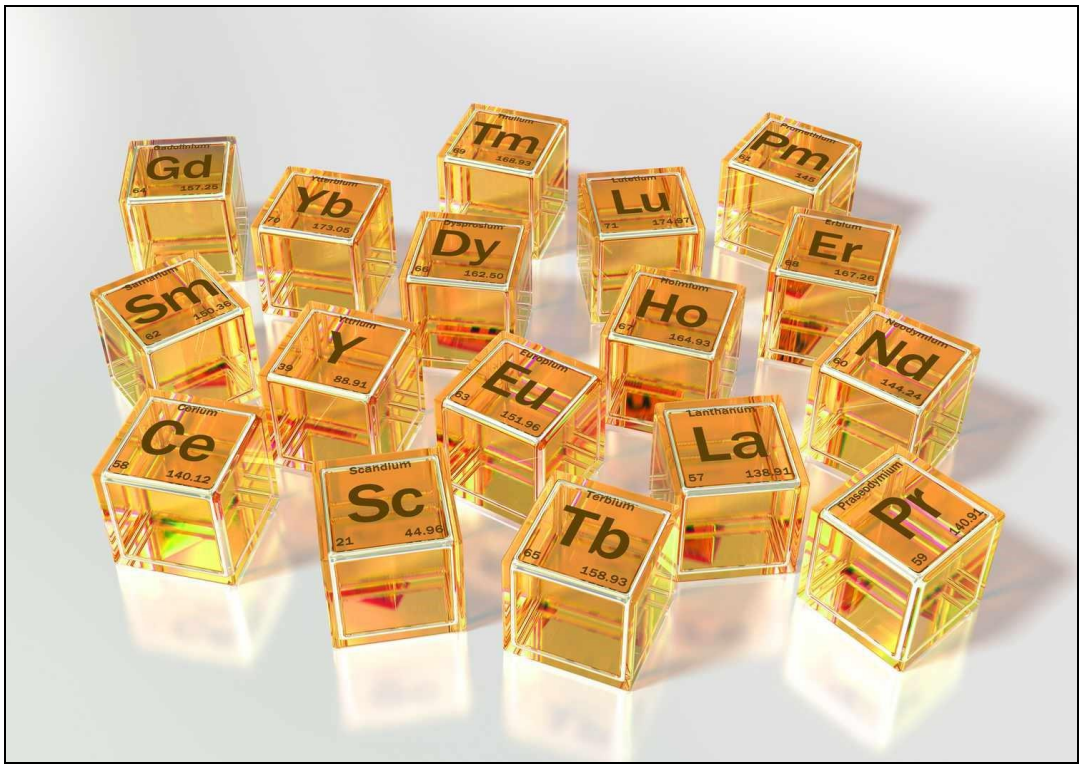
Rare earth elements (REEs) are a group of 17 metallic elements in the periodic table. Rare earth elements are foundational to the modern technology economy, essential for a wide range of critical applications for both civilian and defense sectors. Despite their name, rare earth elements are not particularly rare in a true geological sense. The "rare" designation is a historical misnomer, originating from the 18th and 19th centuries when these elements were first isolated and the chemistry required to separate them was poorly understood. The combination of modest deposit concentration and processing complexity is what gives rare earths their strategic importance.

Ionic plans to produce these rare earth oxides (REO is processed and refined REE):

- Yttrium (Y)
- Praseodymium (Pr)
- Neodymium (Nd)
- Samarium (Sm)
- Gadolinium (Gd)
- Terbium (Tb)
- Dysprosium (Dy)
- Holmium (Ho)

Neodymium and praseodymium are the primary inputs for neodymium-iron-boron (NdFeB) permanent magnets, the strongest magnets commercially available and essential components in EV motors, wind turbine generators, and consumer electronics such as smartphones and hard drives.

Dysprosium and terbium are added to NdFeB magnets to maintain magnetic performance at high operating temperatures, making them indispensable in EV drivetrains and industrial motors.



Source: ionicre.com

Beyond magnets, rare earths serve critical functions across a broad industrial base.

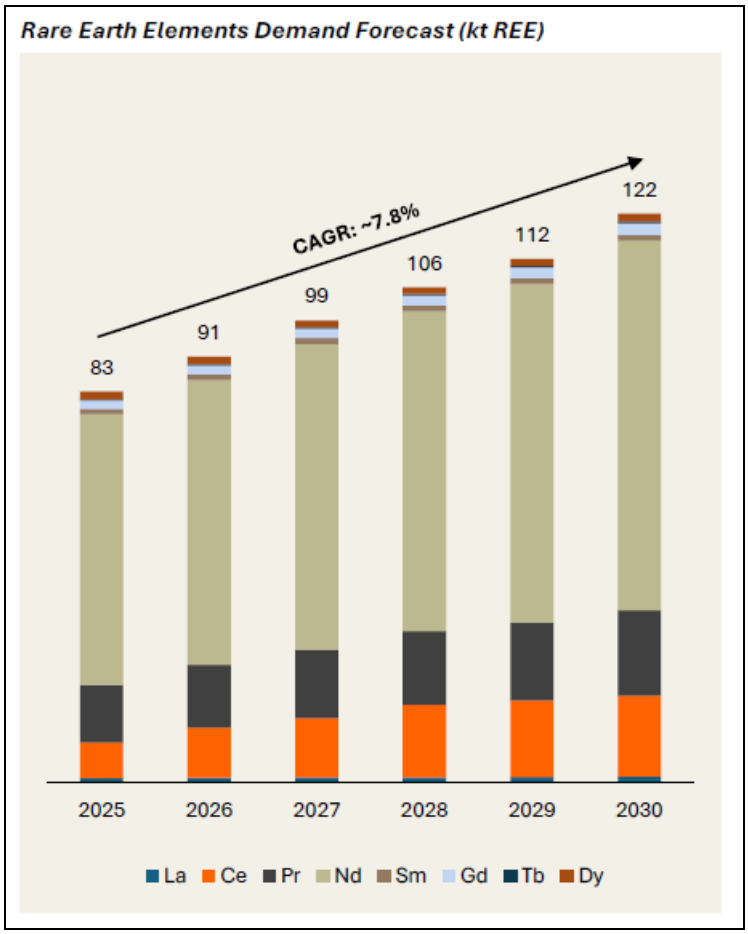
- Lanthanum and cerium are used in fluid catalytic cracking for petroleum refining and in automotive catalytic converters.
- Europium, terbium, and yttrium are used in phosphors for LED lighting and display screens.
- Gadolinium is used as a contrast agent in MRI imaging.
- Erbium and ytterbium are used in fiber optic communications.

In the defense markets, rare earths are embedded throughout advanced weapons systems, precision-guided munitions, radar, sonar, night-vision equipment, and jet fighter engines. The concentration of rare earth mining and processing is in China where it controls 69% of global rare earth mining, 88% of refining, and 90% of rare earth metal production which has made supply chain diversification a priority for Western governments.

INDUSTRY & ADDRESSABLE MARKET

Converging large trends across defense modernization and the global energy transition are driving structural, long-term growth in demand for REE, particularly the high-value magnet rare earths critical to electric vehicles, wind turbines, and advanced military platforms.

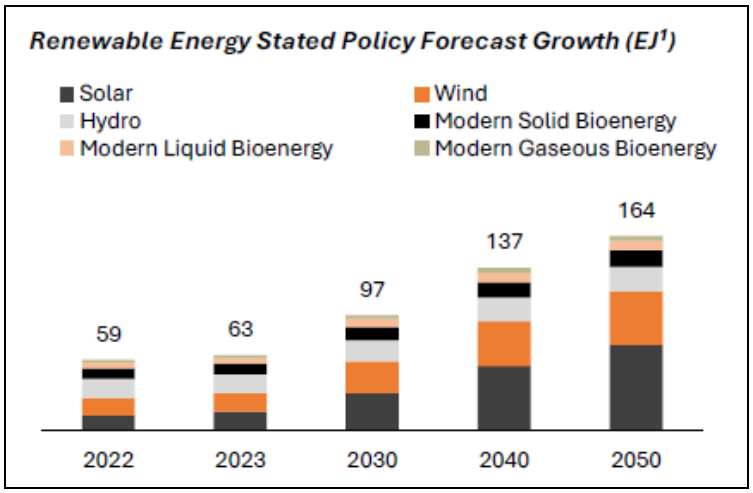
Global demand for rare earth elements is forecast to grow at a CAGR of approximately 7.8% from 83 kt in 2025 to 122 kt by 2030, driven by these prominent trends. This is not cyclical demand growth but a fundamental reshaping of the industrial economy, with rare earth permanent magnets sitting at the crossroads of two of the most capital-intensive spending programs in the coming decade.



Source: ionicre.com

On the defense side, U.S. defense spending as a percentage of GDP is projected to rise from 3.1% in 2023 toward a 5.0% target by 2035, with the rest of NATO also increasing commitments from 1.9% to 2.5% over the same period. Rare earths are embedded throughout modern defense platforms such as the F-35 fighter jet which relies on them for guided missiles, targeting lasers, and drive motors. Also, the U.S DDG-51 guided missile destroyer uses them in advanced radar, missile guidance, propulsion, and drive motors. In addition, the Virginia Class submarine incorporates them in Tomahawk missiles, radar systems, and drive motors. As Western nations accelerate rearmament programs, the rare earth intensity of defense procurement is set to rise in parallel.

The energy transition represents another powerful demand driver. Global EV sales are forecast to grow from 23.1% of total vehicle sales in 2025 to 44.8% by 2030, with each EV requiring meaningful quantities of NdPr, dysprosium, and terbium in its traction motor magnets. Renewable energy capacity is forecast to grow from 59 exajoules in 2022 to 164 exajoules by 2050 across solar, wind, and bioenergy sources, with wind turbines representing a significant and growing source of rare earth magnet demand.



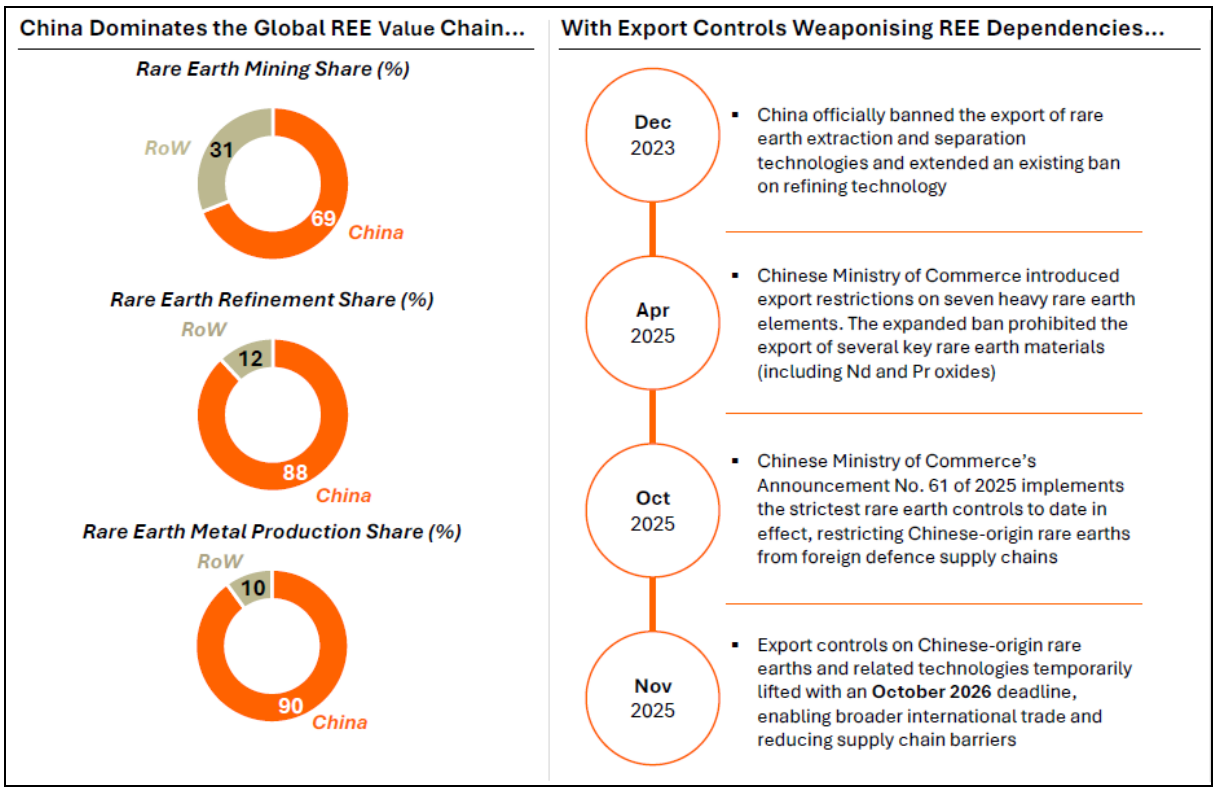
Source: ionicre.com

All together, these demand trajectories create a supply challenge that cannot be met by small incremental additions to existing production. The heavy rare earth elements most critical to high-performance magnets, specifically dysprosium and terbium, are the scarcest and most geographically concentrated, with supply overwhelmingly controlled by China. This structural deficit is the market gap that Ionic's Belfast recycling platform and Makuutu mining project are designed to address, positioning the company in the middle of defense, clean energy, and critical minerals supply security.

CHINA REE SITUATION

The Chinese dominance over the rare earth value chain has become a serious issue for most Western governments.

That country's control over a significant portion of the rare earth value chain is total and well-documented, but the degree of concentration is worth highlighting. China accounts for approximately 69% of global rare earth mining, 88% of refining, and 90% of rare earth metal production. That leaves the rest of the world dependent on a single supplier for what are now considered strategically critical materials. This concentration has persisted for decades, but recent policy actions have transformed a known vulnerability into an active supply chain crisis.



Source: ionicre.com

The escalation began in December 2023 when China officially banned the export of rare earth extraction and separation technologies, extending an existing prohibition on refining technology. The pressure intensified in April 2025 when the Chinese Ministry of Commerce introduced export restrictions on seven light rare earth elements, including neodymium and praseodymium oxides. In October 2025, the country explicitly restricted Chinese-origin rare earths from entering foreign defense supply chains. A partial and temporary easing was announced in November 2025, with certain export controls lifted ahead of an October 2026 deadline. The structural uncertainty created by these measures has already permanently changed Western procurement strategies.

The Western policy response has been quick and increasingly coordinated. In October 2025, the U.S. announced its intention to invoke the Defense Production Act to fund and expedite rare earth projects deemed vital to national security. The following month, the UK published its Vision 2035 Critical Minerals Strategy, targeting a resilient domestic supply of key minerals through boosted domestic production. In February 2026, the UK and U.S. formalized a Critical Minerals MOU covering joint investment in both mining and processing, alongside the launch of Project Vault. This is a public-private partnership backed by US$10 billion in EXIM financing to stockpile 60 critical minerals.

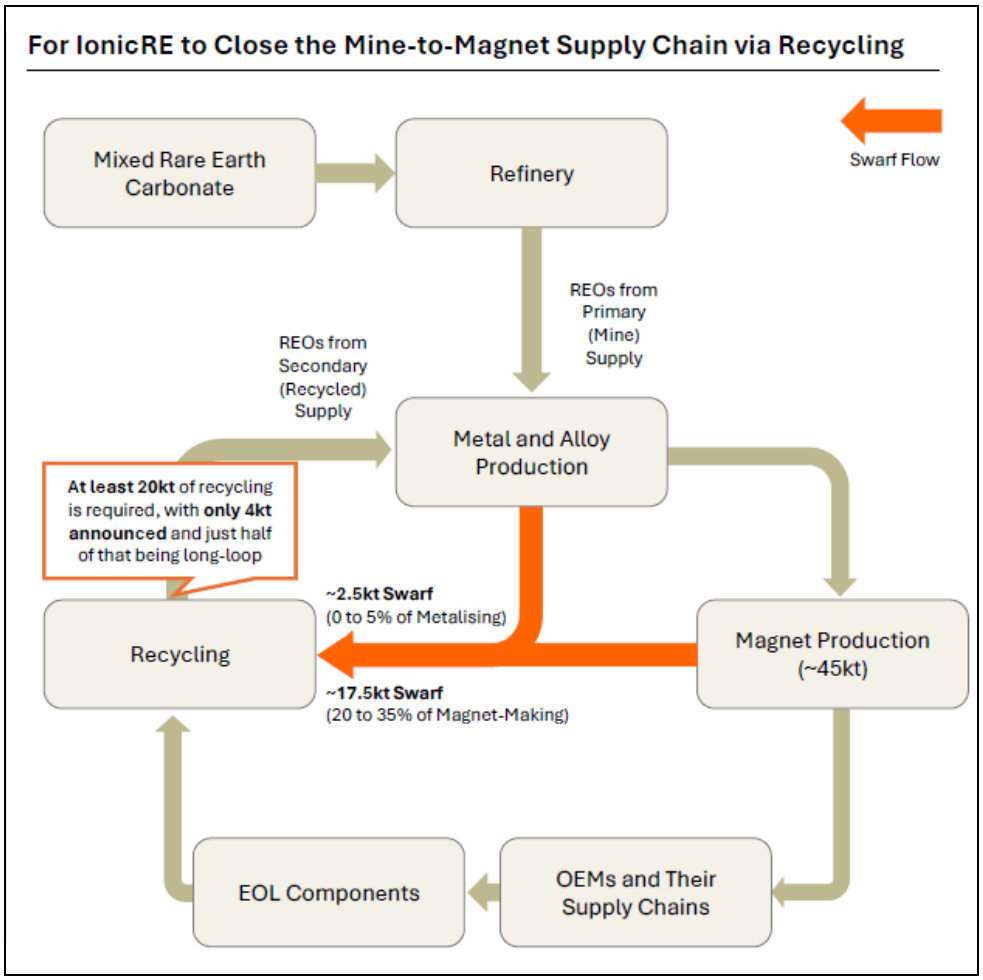
The Forum on Resource Geostrategic Engagement (FORGE), also launched in February 2026 as a trilateral UK-US-Australia partnership, and reflects the recognition that no single nation can build rare earth supply chain independence in isolation. Collectively, these initiatives represent the most substantial Western policy efforts around critical minerals in recent memory and create a powerful funding and regulatory tailwind for companies such as Ionic that are already operational in the rare earth separation and recycling space.

RECYCLING DYNAMICS

Policy-driven investment in domestic U.S. rare earth magnet manufacturing is creating a structural recycling opportunity that could be significant. Approximately 50 ktpa of NdFeB magnet capacity has been announced across at least eight U.S. facilities, establishing the foundation of a domestic magnet manufacturing base. However, the build-out of this capacity brings with it an unavoidable byproduct. At a yield loss of 25% to 40% across the metals-to-magnet production chain, the announced capacity implies between 15 and 37 ktpa of NdFeB swarf generation, with a base case of approximately 20 ktpa. This creates a large, recurring, and entirely domestic feedstock stream for plants like the company's Belfast operations.

This swarf cannot simply be exported or discarded. Exporting is uneconomic, discarding widens an already acute ex-China REO supply gap, and the dominant short-loop recycling method (hydrogen decrepitation) is unable to handle the heterogeneous grade, coating, and oxidation states of manufacturing swarf at commercial scale. The only technically and commercially viable solution is long-loop chemical processing, yet current announced recycling capacity stands at just 4 ktpa, less than a quarter of the minimum 20 ktpa required to close the loop on projected U.S. swarf generation, and only half of that is genuinely long-loop capable.

Ionic's proprietary long-loop hydrometallurgical process is built to solve this problem. Unlike short-loop alternatives, it handles heterogeneous swarf regardless of grade, coating, or oxidation state, recovering separated rare earth oxides at purities exceeding 99.5% that are directly re-enterable into magnet production without further processing.



Source: ionicre.com

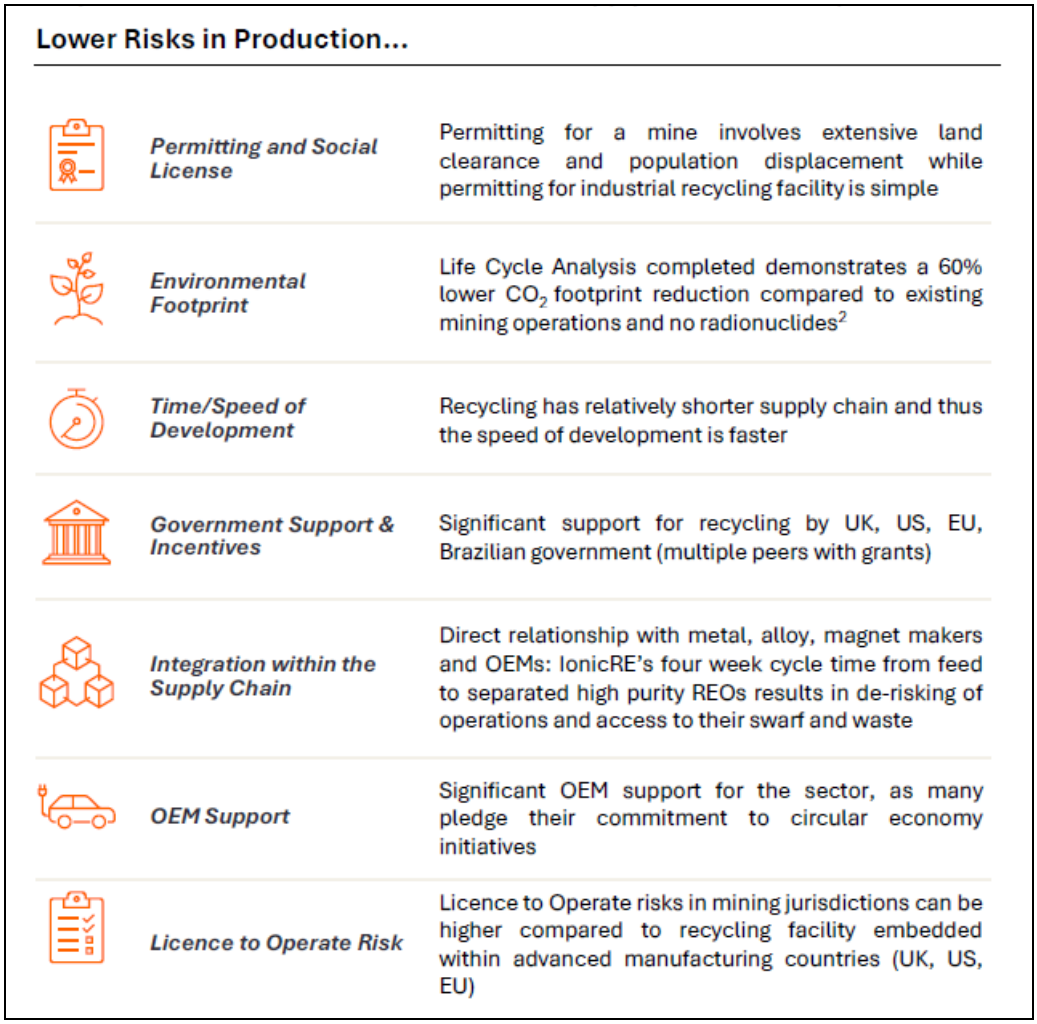
This technical capability is not incidental but central to the overall investment case. It transforms what would otherwise be a supply chain liability into a recoverable domestic strategic asset at a time when every kilogram of NdPr, dysprosium, and terbium recovered domestically reduces dependence on Chinese export policy.

The commercial model compounds the technology advantage. Ionic's co-location deployment strategy, siting modular recycling units directly alongside U.S. magnet manufacturers, eliminates transport risk, reduces feedstock handling costs, and closes the supply loop at the point of generation. Each co-located module can be deployed at approximately US$100 million per site, a fraction of the capital required for equivalent greenfield mining and processing capacity. This makes the economics of domestic rare earth recycling not only strategically compelling but commercially attractive relative to the alternatives available to Western policymakers and manufacturers.

Mining Comparison

Rare earth recycling offers a significantly lower risk profile than conventional mining for many reasons.

Permitting for a recycling facility is straightforward compared to the extensive land clearance and population displacement involved in mine permitting. A completed Life Cycle Analysis demonstrates a 60% lower CO2 footprint with no radionuclide exposure relative to existing mining operations. Recycling's shorter supply chain also compresses development timelines, while the sector enjoys meaningful government support from the UK, US, EU, and Brazilian governments, with multiple peers having secured grants.



Source: ionicre.com

Further risk mitigation comes from direct relationships with metal, alloy, and magnet makers and OEMs, with Ionic's four-week cycle time from feed to separated high-purity REOs reducing operational risk and enabling access to swarf and waste streams. License-to-operate risk is also lower, as recycling facilities embedded within advanced manufacturing countries face fewer jurisdictional uncertainties than mining operations.

The economic returns from recycling compare favorably to mining on almost every major cost metric. Grade is the most fundamental advantage as recycled feedstock carries magnet REO grades of approximately 300,000 ppm, versus only 300-500 ppm for mined material, with the 15-25% TREO grade of recycled feed dramatically reducing feedstock processing requirements. That grade advantage flows directly into capital and operating costs, with capex costs running at roughly $50,000 per tonne produced for recycling against approximately $150,000 per tonne for mining. Operating expenses also favor recycling at around $45 per kilogram of REO compared to a mining range of $40 to $80 per kilogram, reflecting lower reagent, energy, labor, and maintenance requirements.

Source: ionicre.com

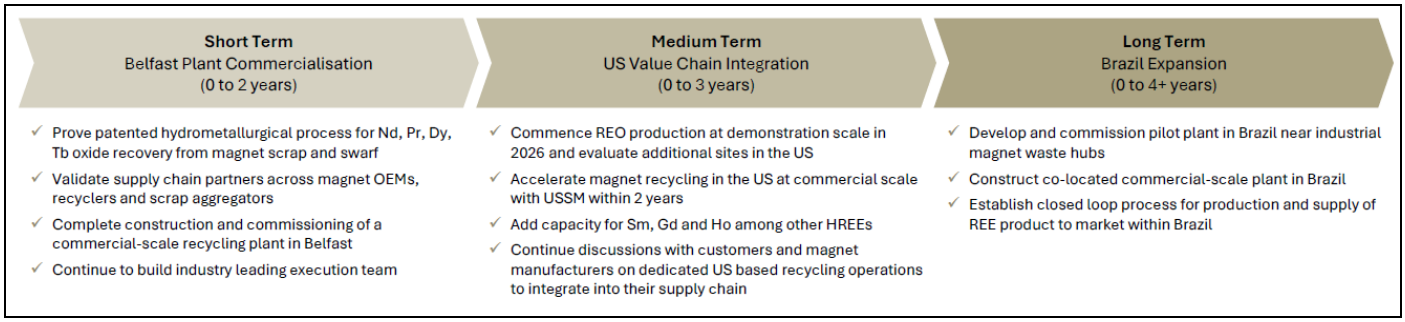
Working capital dynamics are also favorable for recyclers. Mining requires large volumes of material to be processed across multiple facilities worldwide, creating substantial working capital demands of roughly 2-4x of a recycling operation. Recycling's quicker sales cycles and more contained operational footprint reduce capital tied up in the production process, reinforcing the overall investment case for an integrated recycling model over conventional primary production.

EXECUTION & GROWTH

In the **near term** (next two years), Ionic's primary focus is commercializing the Belfast plant and finalizing proof of its patented hydrometallurgical process for recovering Nd, Pr, Dy, and Tb oxides from magnet scrap and swarf. It also plans to validate supply chain partnerships across magnet OEMs, recyclers, and scrap aggregators while completing construction and commissioning of the commercial-scale facility. Building an industry-leading execution team is identified as an equal priority, reflecting management's view that operational talent will be as critical as technology in meeting the plant's production targets.

Over the **medium term** (approximately three years), the focus shifts to the U.S. value chain integration. The company plans to commence REO production at demonstration scale in the U.S. in 2026, evaluate additional co-location sites, and accelerate commercial-scale magnet recycling with U.S. Strategic Metals within two years. The product suite is also expected to broaden beyond NdPr, Dy, and Tb to include heavy rare earths such as samarium, gadolinium, and holmium which will deepen the company's relevance to U.S. magnet manufacturers and defense supply chains seeking to reduce dependence on Chinese sourced materials.

The **long-term** roadmap (beyond four years) centers on full commercialization of the Brazilian platform through the Viridion JV. This involves developing and commissioning a pilot plant near industrial magnet waste hubs in Brazil, constructing a co-located commercial-scale processing facility, and establishing a fully closed-loop REO production and supply chain within the Brazilian market. At full completion, the Brazilian operation would replicate the Belfast model in a jurisdiction offering strong government support, proximate feedstock supply from the Colossus IAC project, and growing strategic relevance as a supplier to U.S.-aligned rare earth value chains.



Source: ionicre.com

COMPETITIVE ADVANTAGES

We believe Ionic has some substantial competitive advantages when compared to its peers and mining alternatives.

- First-Mover Advantage and Process Flow

  Ionic has a five-year track record of R&D and demonstration, a completed DFS, and customer-qualified product. The company is not reliant on Chinese IP and has no technology export control risk, allowing it to deploy internationally. While peers such as Carester are well-funded, Ionic's smaller footprint suits a fragmented feedstock market, and its modular approach avoids the feedstock bottlenecks faced by larger centralized projects.

- Separated Rare Earth Oxides in High Demand on a Global Basis

  Unlike many recycling companies that produce intermediate outputs such as mixed rare earth oxides or alloy powders, Ionic generates high-purity separated oxides of neodymium-praseodymium (NdPr), dysprosium (Dy), and terbium (Tb), which are the primary inputs used directly in permanent magnet manufacturing. These products specification provide exposure to pricing of the most strategically important rare earth elements, while aligning the company with policy-driven procurement preferences under key global critical minerals frameworks. The eventual output is designed to meet eligibility criteria under the EU Critical Raw Materials Act (CRMA) and the US Inflation Reduction Act (IRA) for both "processed" and "recycled" material classifications.

- Proprietary Patented Process

  Ionic's proprietary technology is based on a hydrometallurgical process that uses atmospheric leaching and solvent extraction unit operations to recover rare earth elements from end-of-life permanent magnets and manufacturing scrap. Unlike hydrometallurgical routes for primary (mined) supply REEs that rely on extremely aggressive strong mineral acids, the process operates under ambient pressure and mild thermal conditions, avoiding radionuclide-bearing waste streams and significantly reducing the generation of aggressive effluents. It achieves high selectivity and efficiency, with reported recoveries exceeding 95% for neodymium, praseodymium, dysprosium, and terbium, while producing oxide products at greater than 99.5% purity. These characteristics support deployment within regulated industrial environments subject to tough environmental and permitting requirements. The process is further differentiated by low energy demand, reduced reagent intensity, and a closed-loop reagent recovery system. Together, this provides a lower-impact and scalable approach to magnet-based rare earth recycling.

- Scalable Modular Refinery Model

  The Belfast operations will be built around one 400 tpa REO module processing approximately 1,200 tpa of feedstock. This scale lowers the risks of this type of business versus models requiring larger volumes for economies of scale. The design can be deployed in feedstock-rich industrial hubs or co-located with existing manufacturers and offers a 12–18-month build timeline with a payback period of less than 3 years.

MANAGEMENT

Brett Lynch
Chairman

Mr. Lynch is a highly experienced international company director and chief executive, with a strong background in mining and mining-related businesses across Australia, Asia and North America. A senior mining engineer and manager, he has more than 30 years' experience in the global industry, including previous posts with leading resources companies such as MIM Holdings, New Hope Corporation, Orica and VLI, during which time he was responsible for multi-million dollar international operations. At Sayona Mining, Mr. Lynch led the company's transformation from small-cap explorer into a multibillion-dollar lithium miner, with the successful launch of production in Quebec, Canada in 2023 and development of exploration assets. Mr. Lynch's professional qualifications include a Bachelor of Engineering at the University of Melbourne, a Graduate Diploma of Business at Monash University and a Company Director Diploma from the Australian Institute of Company Directors.

Tim Harrison
Managing Director and CEO

Mr. Harrison is a mining executive with over 25 years' experience and an extensive and successful track record specializing in the fields of both mineral processing and hydrometallurgy across multiple commodities across Australia, Africa and Asia. Mr Harrison was appointed Managing Director of Ionic Rare Earths in December 2020 and has been driving both the development of the Makuutu Rare Earth Project and the downstream supply chain integration through refining the acquisition of magnet recycling business, Ionic Technologies in the UK. Mr. Harrison holds a bachelor's degree of Chemical Engineering from Adelaide University with significant battery and technology metals experience across Australia, Asia and Africa. Mr Harrison is a Fellow of the Australian Institute for Mining and Metallurgy.

Sean Sargent
Chief Operating Officer

Mr Sargent is a senior executive director with substantial experience in business leadership and project management. He recently served as CEO of Green Lithium, leading for four years this start-up business that aims to build a low-carbon, sustainable, battery-grade lithium refinery in the UK, successfully raising public and private funding as well as driving efforts to secure supply and offtake contracts with miners and commodity traders. He has also held leadership roles across the engineering sector in the nuclear and defense industries for 25 years and spent a further five years on maritime civil engineering projects. Mr. Sargent has led businesses in chemical refining, in nuclear new build, and on operational and decommissioning sites, with 18 years' experience at company executive level.

Warren Tregurtha
Chief Financial Officer / CEO Rwenzori Rare Metals Ltd

Mr. Tregurtha is a corporate executive with more than 20 years' experience in corporate finance and private equity, with first-hand experience in numerous transactions and assignments across a range of sectors including mining, oil and gas, agriculture and investment management industries.

RECENT NEWS

- On July 31, 2026, the company announced it has initiated a strategic review of the Makuutu Project due to strong inbound interest and a global, Western search for new and independent sources of medium and heavy rare earths supply.

  The review will evaluate opportunities to enhance value creation and accelerate development of the Makuutu project which is a member of the Forum on Resource Geostrategic Engagement (FORGE) (previously the Minerals Security Partnership). The review will consider a range of potential strategic, structural and funding alternatives for Makuutu, including the introduction of strategic or government-backed partners, new investment structures, or potential listings in alternative jurisdictions.

  IonicRE has participated in multiple discussions with potential project partners including in the U.S. with these talks centered on the need to develop secure and sustainable rare earth supply chains for the world's biggest economy.

- In July 2026, the company announced it had commissioned Tenova Advanced Technologies (TAT) to conduct the front-end engineering design (FEED) study for the commercial Belfast magnet recycling facility, based upon intellectual property developed by Ionic Technologies.

  The FEED study process began in June 2026, in advance of Detailed Design and Construction phases of the development. TAT has accretive engineering design experience in multiple rare earth

processing technologies, including solvent extraction, electrowinning and mixer/settler design and manufacture, complementary to Ionic Technologies' magnet recycling and rare earth separation technology.

IonicRE selected TAT to complete the FEED study in partnership with its own technical staff, because of its extensive track record in rare earth processing technologies, particularly solvent extraction and associated processes. TAT specializes in providing differentiated, project-specific process technologies based upon years of research, equipment design and project execution. The FEED study scope will include process description, basis of design, process flow diagrams (PFDs), equipment lists and specifications, control philosophy and power demand.

- In May 2026, the company expanded its U.S. collaborations by creating a Joint Development and Licensing Agreement with U.S. based Nth Cycle, Inc., a critical mineral refining technology company, to enhance end-to-end rare earth refining and recycling operations in the U.S. and globally.

  Under the agreement, Nth Cycle will provide its proprietary electro-extraction technology for IonicRE's rare earth recycling and refining operations, establishing the first Western production pathway for both long-loop recycling to high-purity REEs and the chemicals needed to refine NdFeB swarf into magnet-grade REOs for advanced magnet manufacturing. The collaboration replaces IonicRE's precipitation step with Nth Cycle's closed-loop electro-extraction process, which uses electricity rather than oxalic acid to produce the chemicals required to convert recycled rare earth feedstocks into high-purity REOs.

  Ionic's patented process is the Western industry leader in recycling and refining rare earths from pre-consumer magnet swarf and spent magnets, while Nth Cycle is the most advanced critical minerals refiner for black mass and rare earth processing, offering significant speed and scalability advantages in the supply chain's "missing midstream." Together, the companies will try and strengthen a Western rare earth supply chain through more efficient, scalable, and sustainable production of high-purity oxides used in magnet metal and alloy manufacturing.

  The activity follows IonicRE's MOU with Missouri-based US Strategic Metals (USSM) for the development of vertically integrated, multi-metallic rare earths production from recycling at USSM's fully permitted site in Missouri (see below).

- In May 2026, the company achieved a Western world first where it successfully led a ground-breaking project to demonstrate a circular supply chain for high-performance electric motor Rare Earth Permanent Magnets (REPM).

  The supply chain comprising Ionic Technologies, Less Common Metals (LCM), and GKN successfully demonstrated full circularity and functionality for magnets used in Ford EV motors following testing at Ford's R&D facility in the UK. The project confirmed that REOs produced using Ionic's proprietary process are suitable for high-specification magnet supply chains and that long-loop recycling can support a UK-based end-to-end supply chain capable of producing magnets equivalent to those from existing supply chains. This represents a major step toward the UK Government's Critical Minerals Strategy which targets meeting 10% of domestic critical mineral demand through UK production and 20% through recycling by 2035, compared with just 6% supplied domestically today. Supported by the UK Government's CLIMATES initiative, the project served as the flagship among 36 circular rare earth element (REE) initiatives.

  The project demonstrates that Ionic Technologies' process can provide a reliable domestic source of REOs for automotive magnet production, supporting the UK's automotive transformation and clean energy objectives. Success required each participant to produce REOs, metal, alloy, and magnets that met Ford's stringent specifications. Ionic Technologies produced REOs with greater than 99.5% purity, meeting typical industry quality standards for all grades of rare earth permanent magnets (REPMs), and supplied volumes to LCM that exceeded minimum batch requirements.

- On 10 November 2025, Ionic announced the signing of a non-binding MOU with Missouri based US Strategic Metals (USSM), a vertically integrated, multi-metallic critical minerals platform. An official ceremony held at the Australian Embassy in Washington, D.C., highlighted the strong corporate commitment to supporting the U.S. / Australia critical minerals partnership.

  Under the MOU, Ionic and USSM will pursue opportunities to align rare earth and critical mineral production with multi-metallic downstream processing and supply chain development at USSM's 1,800 acre fully permitted site in Fredericktown, Missouri. This includes the deployment of Ionic's patented rare earth permanent magnet recycling technology, developing both commercial Neodymium-Iron-Boron (NdFeB) and Samarium-Cobalt (SmCo) recycling capacity.

  The Missouri recycling facility is expected to produce significant quantities of NdPr (neodymium and praseodymium), and importantly a range of strategic heavy rare earths, presently included within the list of Chinese restricted rare earth elements, including dysprosium (Dy), terbium (Tb), samarium (Sm), gadolinium (Gd) and holmium (Ho).

FINANCIAL REVIEW

Quarterly Activities Report

On July 31, 2026, the company released its Quarterly Activities Report for the 3 month period ending June 30, 2026. During the quarter, the company spent approximately A$981,908 on Ionic Technologies demonstration and study activities, and A$410,278 on Makuutu exploration, demonstration plant and study activities. Payments to related parties of the entity and their associates totaled A$256,500.

Cash used in operations for the quarter was (A$4.9) million and capital expenditure was A$176,000. Cash balances as of June 30, 2026 were A$3.5 million and there was no debt outstanding. After June 30, 2026, the company raised approximately A$8.0 million (A$7.5 million immediately) in a placement offering (see below).

6-Month Interim Report (ending 12/31/25)

For the six month period ending 12/31/25, the company recorded a net loss of (A$6.24) million, a small improvement from the (A$6.65) million loss in the prior year period. The company remains pre-revenue in a conventional sense, with total income comprising A$769,308 in grants and A$49,763 in interest revenue, compared to A$703,194 and A$9,952 respectively in the prior year period.

For operating expenses, the most significant reduction came in employee benefits expense, which fell to A$1.08 million from A$2.06 million a year earlier, suggesting meaningful headcount or remuneration restructuring over the period. Exploration expense remained the largest single cost at A$1.65 million, broadly in line with the A$1.93 million incurred in the prior year period, reflecting the company's continued investment in advancing its Makuutu project. Administration expenses moved higher to A$1.11 million from A$1.03 million, while research and development costs declined to A$161,000 from A$265,000.

Basic and diluted loss per share improved to (A$3.08) cents from (A$4.06) cents, consistent with the narrowing of the operating loss.

August 2026 $8.0 Million Capital Raise

On August 4th, 2026, the company announced it had received binding commitments for a Placement to raise approximately A$8.0 million. The Placement will result in the issuance of approximately 30.8 million

new fully paid ordinary shares to eligible, sophisticated, professional and institutional investors at a price of $0.26 per new share. The Placement includes $500,000 in company Director participation, to be issued subject to shareholder approval at IonicRE's next Annual General Meeting.

IonicRE is raising approximately A$8.0 million through the issuance of 30.8 million new shares at $0.26 per share, representing 13.6% of its current shares outstanding. The financing consists of an unconditional placement of $7.5 million (28.9 million shares), which will happen immediately, and a conditional placement of $500,000 (1.9 million shares) to company directors, subject to shareholder approval expected in late October 2026. The placement is not underwritten, and all new shares will rank equally with existing ordinary shares.

The placement price of $0.26 per share represents a 16.1% discount to the last closing price, a 15.1% discount to the 5-day volume-weighted average price (VWAP), and a 22.1% discount to the 15-day VWAP as of July 31, 2026. Ord Minnett and Petra Capital acted as Joint Lead Managers and Bookrunners for the offering, while Baker McKenzie served as the Company's legal advisor.

VALUATION

Ionic Rare Earths' Belfast recycling project represents the company's most advanced and readily quantifiable asset. The November 2024 feasibility study outlined attractive economics, including a post-tax NPV of US$502 million, a 43.6% IRR, £85 million of initial capital expenditure and a 2.4-year payback period. However, the study's 7.5% discount rate appears aggressive for a first-of-kind commercial-scale recycling facility, and we believe a 12.5% discount rate is more appropriate. Applying this higher discount rate for the 20-year project reduces the project NPV by approximately 50%, resulting in an estimated Belfast project value of approximately **US$251 million**. This valuation also provides a more conservative basis for assessing the project given execution, feedstock procurement, ramp-up and rare-earth pricing risks.

The Belfast facility is designed to produce approximately **400 tonnes per annum of separated rare-earth oxides**, consisting of 350 tonnes of NdPr oxide, 37 tonnes of Dy_2O_3 and 13 tonnes of Tb_4O_7. Based on the feasibility study's long-term price assumptions, this basket generates approximately US$105 million of annual revenue at full production, implying an average realized price of roughly **US$264/kg of REO**. Importantly, the project's US$27.68/kg operating-cost assumption represents conversion costs, while incorporating magnet feedstock sourcing increases the effective cost to approximately **US$42.68/kg**. The economics therefore remain highly sensitive to feedstock availability, utilization rates and the pricing of Dy and Tb. While current Western market prices could support a substantially higher basket value, we believe the original feasibility-study price deck provides a more appropriate foundation for a base-case valuation, with upside available from sustained higher Western rare-earth prices.

In addition to Belfast, Ionic retains significant potential value from its **Uganda-based African rare-earth project**, although we are not incorporating any value from that project into our price target at this time. In addition, we are not assigning any value or revenue estimates from Brazilian Viridion JV as the project is still in early development stage.

Our valuation approach is to focus primarily on the **US$251 million Belfast valuation**, with the African mining asset and the Brazilian JV treated as incremental option value rather than relying on it to support the core investment case. Key valuation catalysts and risks include securing sufficient feedstock for Belfast, achieving targeted capacity utilization and margins, confirming the commercial economics of the 400-tpa REO basket, controlling the approximately US$100 million Belfast build-out cost, and demonstrating a clear path from commissioning to positive EBITDA. The principal upside driver remains higher NdPr, Dy and particularly Tb pricing, while delays, cost overruns, lower utilization or weaker rare-earth prices would reduce project value.

Our discounted FS NPV valuation would create a target price of **US$1.00** per share. However, the basket prices of the REE in the FS have increased substantially since then. Current prices for the relevant REEs are approximately 50% to 100% above the price assumptions used in the 2024 feasibility study, providing potential upside to our base-case valuation.

We also support the price target using a 10-year DCF calculation with conservative assumptions and a high discount rate of 15.0% to account for the uncertainty of the timing of free cash flow generation. This results in a price target in the range of $**1.00-$1.50** depending on various growth rates and other factors.

In addition, it's important to recognize that the total business is very scalable over the long-term as the Belfast plant can be replicated in the U.S., Europe and other global locations.

RISKS

- The company has carried going concern warnings from auditors alongside ongoing financial losses with liquidity issues.
- Shareholder dilution risks remain possible with the company requiring repeated equity raises and convertible note issuances to fund operations and project development.
- The Belfast commercial plant requires substantial government grant support and project debt and any delays in UK government funding decisions could materially set back the FID timeline.
- Key risks include development capital costs and technological risks with processing REEs. Scaling hydrometallurgical processing from demonstration to commercial volumes introduces meaningful engineering and commissioning risk.
- Commercial-scale REO production depends on securing reliable, long-term supply of magnet scrap and swarf from OEMs, recyclers, and aggregators.
- The Makuutu project in Uganda carries political, regulatory, and licensing risk. Permitting delays have already extended development timelines, and Uganda remains a higher-risk operating jurisdiction.
- The Viridion JV in Brazil and potential US facilities add further multi-jurisdictional complexity and regulatory uncertainty.
- IXR's feasibility economics are sensitive to NdPr, Dy, and Tb oxide pricing, which remains volatile and subject to Chinese export policy.
- The Viridion JV with Viridis Mining (VMM) is a 50/50 structure, meaning IXR does not control decision-making on the Brazilian platform.
- Several key commercial arrangements (feedstock supply, offtake) remain at MOU stage and have not yet been converted to binding agreements.
- Larger, better-capitalized competitors (MP Materials, Lynas) are receiving significant government support and long-term offtake commitments, which could crowd out funding and customer relationships available to smaller players like IXR.

SUMMARY

Ionic's investment case is based on a technically differentiated foundation that is difficult to replicate. As the only operating Western recycler of separated magnet rare earth oxides, the company holds a real first-mover advantage supported by a patented, feedstock-agnostic separation and recovery technology platform that handles heterogeneous input materials at purities other approaches cannot readily achieve. The Belfast commercial plant offers compelling feasibility-study economics, and the modular architecture of the platform means that Belfast is not just a one-location story but the basis for rapid similar deployments across multiple geographies.

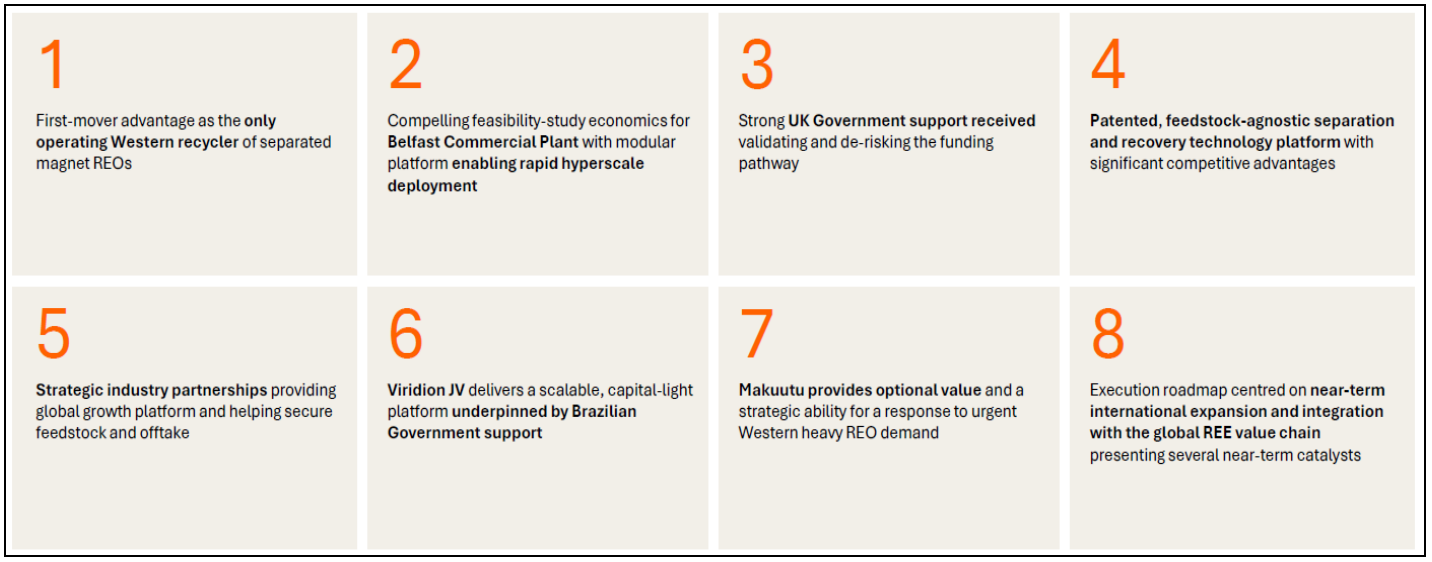
The commercial and policy infrastructure supporting that expansion is already in place. Strategic industry partnerships across the UK, US, South Korea, and Brazil are simultaneously securing feedstock supply and offtake demand, while the Viridion joint venture with Viridis Mining delivers a capital-light Brazilian platform with the added benefit of Brazilian government support. UK government backing for the Belfast commercial plant has meaningfully validated the funding pathway, and the Makuutu Ionic adsorption clay deposit in Uganda provides optionality on primary heavy REE feedstock supply, with the ability to respond rapidly to urgent Western demand should the asset be developed or monetized.

Taken together, these elements converge on an execution roadmap focused on near-term international expansion and deep integration with the global rare earth value chain. With a Final Investment Decision for Belfast targeted by September 2026, the Viridion JV advancing through Brazilian government funding assessment, and Makuutu fully permitted and shovel-ready, the company presents a pipeline of near-term catalysts capable of driving material upward revaluation in the stock as each milestone is achieved.

Our discounted Feasibility Study NPV valuation creates a target price of **US$1.00** per share. However, the basket prices of the REE in the FS have increased substantially since then (2024). Current prices are anywhere from 50% to 100% higher providing potential upside from our base case.

We also support the price target using a 10-year DCF calculation with conservative assumptions and a high discount rate of 15.0% to account for the uncertainty of the timing of free cash flow generation. This results in a price target of $**1.00-$1.50** depending on various growth rates and other factors.

In addition, it's important to recognize that the total business is very scalable over the long-term as the Belfast plant can be replicated in the U.S., Europe and other global locations.



Source: ionicre.com

Figure 3: Acting High Commissioner to the UK of the High Commission of Australia, London, Her Excellency the Honourable Elisabeth Bowes (second left) inspects the Belfast Demonstration Plant. Left to right: Lauren O'Neill (Ionic Technologies – Senior Chemist), AHC Elisabeth Bowes, Timothy Stafford (AHC Officer) and Dr Fergal Coleman (Ionic Technologies – Head of Technology).

Source: ionicre.com

Figure 4: Invest Northern Ireland CEO Kieran Donoghue, (left) with Ionic Technologies' Senior Plant Chemist, Tim Rankin.

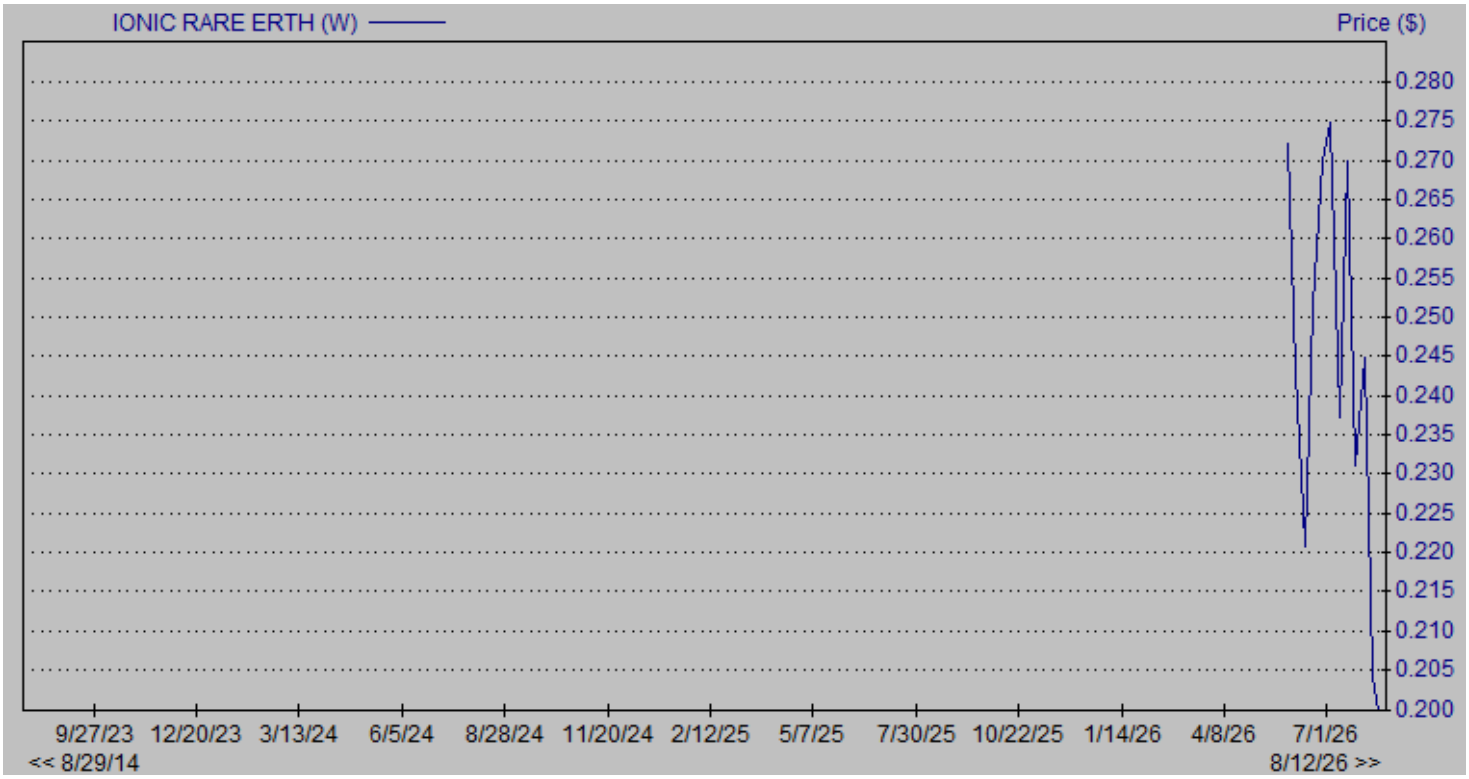
Source: ionicre.com

PROJECTED INCOME STATEMENT

Income Statement	Jun-25	Jun-26	Jun-27	Jun-28	Jun-29
Revenues	**2,162**	**1,946**	**2,043**	**28,245**	**98,170**
Growth		*-10.0%*	*5.0%*	*1282.4%*	*247.6%*
Cost of Goods Sold (Production)	**0**	**0**	**0**	**10,536**	**19,360**
%	*0.0%*	*0.0%*	*0.0%*	*37.3%*	*19.7%*
Depreciation & Amort	**1,151**	**1,209**	**12,600**	**20,500**	**21,013**
Gross Profit	**1,011**	**737**	**(10,557)**	**(2,791)**	**57,798**
Margin	*46.7%*	*37.9%*	*-516.7%*	*-9.9%*	*58.9%*
SG&A Expenses	**4,812**	**5,294**	**5,823**	**6,114**	**6,298**
% of sales	*222.6%*	*272.0%*	*285.0%*	*21.6%*	*6.4%*
R&D	**425**	**382**	**765**	**1,500**	**1,530**
% of sales	*19.6%*	*19.6%*	*37.4%*	*5.3%*	*1.6%*
Exploration Expense & Other	**2,793**	**5,600**	**3,360**	**1,680**	**1,764**
% of sales	*129.2%*	*287.8%*	*164.4%*	*5.9%*	*1.8%*
Stock Compensation	**698**	**1,000**	**1,020**	**2,000**	**2,040**
% of sales	*32.3%*	*51.4%*	*49.9%*	*7.1%*	*2.1%*
Operating Income	**(7,717)**	**(11,539)**	**(21,524)**	**(14,085)**	**46,166**
Margin	*-356.9%*	*-593.0%*	*-1053.5%*	*-49.9%*	*47.0%*
EBITDA	**(6,566)**	**(10,330)**	**(8,924)**	**6,415**	**67,179**
Margin	*-303.7%*	*-530.9%*	*-436.8%*	*22.7%*	*68.4%*
Other Expenses/(Income)	**3,583**	**0**	**27**	**61**	**43**
%	*165.7%*	*0.0%*	*1.3%*	*0.2%*	*0.0%*
EBIT	**(11,300)**	**(11,539)**	**(21,551)**	**(14,146)**	**46,123**
%	*-522.6%*	*-593.0%*	*-1054.8%*	*-50.1%*	*47.0%*
Total Interest Exp (net)	**41**	**0**	**0**	**0**	**0**
%	*1.9%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Net Profit Before Tax	**(11,341)**	**(11,539)**	**(21,551)**	**(14,146)**	**46,123**
%	*-524.6%*	*-593.0%*	*-1054.8%*	*-50.1%*	*47.0%*
Income Tax	**0**	**0**	**0**	**0**	**6,918**
% Effective Rate	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*15.0%*
% Cash Tax Rate	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*15.0%*
Minority Interests or Preferred Stock	**0**	**0**	**0**	**0**	**0**
Net Profit	**(11,341)**	**(11,539)**	**(21,551)**	**(14,146)**	**39,205**
%	*-524.6%*	*-593.0%*	*-1054.8%*	*-50.1%*	*39.9%*
Non-recurring income (expense)					
Average Diluted Shares Outstanding	5,074,798	214,308	264,000	264,000	264,000
Reported FD EPS					
Zacks EPS	**(0.00)**	**(0.05)**	**(0.08)**	**(0.05)**	**0.15**

Source: Zacks SCR analyst

HISTORICAL STOCK PRICE



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