

**FOR IMMEDIATE RELEASE**

24 August 2017

**Rainbow Rare Earths Ltd ('Rainbow' or 'the Company')  
Grant of Share Options**

Rainbow, the rare earth element mining company, announces the following grant of options to Non-Executive Directors on 23 August 2017 under its existing share option plan:

Name	Position	Options Granted	Exercise Price
Adonis Pouroulis	Chairman	500,000	15.00p
Atul Bali	Non-Executive Director	500,000	15.00p
Alex Lowrie	Non-Executive Director	500,000	15.00p
Shawn McCormick	Non-Executive Director	500,000	15.00p
Robert Sinclair	Non-Executive Director	500,000	15.00p

The exercise price has been set at a significant premium to the current market price and existing options, demonstrating the Board's strong belief in the future growth of the Company. The options will vest in three equal tranches: one third upon grant, one-third on the first anniversary of grant and one-third on the second anniversary of grant.

**Notification and public disclosure of transactions by persons discharging managerial responsibilities and persons closely associated with them**

<b>1</b>	<b>Details of the person discharging managerial responsibilities/person closely associated</b>	
a)	Name	Adonis Pouroulis
<b>2</b>	<b>Reason for the notification</b>	
a)	Position/status	PDMR
b)	Initial notification/ Amendment	Initial Notification
<b>3</b>	<b>Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor</b>	

a)	Name	Rainbow Rare Earths Limited					
b)	LEI	213800HONYSAXTG6KS11					
<b>4</b>	<b>Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted</b>						
a)	Description of the financial instrument, type of instrument	Ordinary shares of no par value each					
	Identification code	GG00BD59ZW98					
b)	Nature of the transaction	Award of option to purchase ordinary shares of the Company. Following the transaction, Mr. Pouroulis holds 902,000 options to purchase ordinary shares.					
c)	Price(s) and volume(s)	<table border="1"> <thead> <tr> <th>Price(s)</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr> <td>n/a</td> <td>500,000</td> </tr> </tbody> </table>		Price(s)	Volume(s)	n/a	500,000
Price(s)	Volume(s)						
n/a	500,000						
d)	Aggregated information						
	Aggregated volume	500,000					
	- Price	n/a					
e)	Date of the transaction	23 August 2017 Note: the Company is not considered in a close period at the time of this transaction.					
f)	Place of the transaction	London Stock Exchange (XLON)					

**Notification and public disclosure of transactions by persons discharging managerial responsibilities and persons closely associated with them**

<b>1</b>	<b>Details of the person discharging managerial responsibilities/person closely associated</b>					
a)	Name	Atul Bali				
<b>2</b>	<b>Reason for the notification</b>					
a)	Position/status	PDMR				
b)	Initial notification/ Amendment	Initial Notification				
<b>3</b>	<b>Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor</b>					
a)	Name	Rainbow Rare Earths Limited				
b)	LEI	213800HONYSAXTG6KS11				
<b>4</b>	<b>Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted</b>					
a)	Description of the financial instrument, type of instrument	Ordinary shares of no par value each				
	Identification code	GG00BD59ZW98				
b)	Nature of the transaction	Award of option to purchase ordinary shares of the Company. Following the transaction, Mr. Bali holds 500,000 options to purchase ordinary shares.				
c)	Price(s) and volume(s)	<table border="1"> <tr> <td>Price(s)</td> <td>Volume(s)</td> </tr> <tr> <td>n/a</td> <td>500,000</td> </tr> </table>	Price(s)	Volume(s)	n/a	500,000
Price(s)	Volume(s)					
n/a	500,000					

d)	Aggregated information	
	Aggregated volume	500,000
	- Price	n/a
e)	Date of the transaction	23 August 2017 Note: the Company is not considered in a close period at the time of this transaction.
f)	Place of the transaction	London Stock Exchange (XLON)

**Notification and public disclosure of transactions by persons discharging managerial responsibilities and persons closely associated with them**

<b>1</b>	<b>Details of the person discharging managerial responsibilities/person closely associated</b>	
a)	Name	Alex Lowrie
<b>2</b>	<b>Reason for the notification</b>	
a)	Position/status	PDMR
b)	Initial notification/ Amendment	Initial Notification
<b>3</b>	<b>Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor</b>	
a)	Name	Rainbow Rare Earths Limited
b)	LEI	213800HONYSAXTG6KS11
<b>4</b>	<b>Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted</b>	
a)	Description of the financial	Ordinary shares of no par value each

	instrument, type of instrument					
	Identification code	GG00BD59ZW98				
b)	Nature of the transaction	Award of option to purchase ordinary shares of the Company. Following the transaction, Mr. Lowrie holds 500,000 options to purchase ordinary shares.				
c)	Price(s) and volume(s)	<table border="1"> <thead> <tr> <th>Price(s)</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr> <td>n/a</td> <td>500,000</td> </tr> </tbody> </table>	Price(s)	Volume(s)	n/a	500,000
Price(s)	Volume(s)					
n/a	500,000					
d)	Aggregated information					
	Aggregated volume	500,000				
	- Price	n/a				
e)	Date of the transaction	23 August 2017 Note: the Company is not considered in a close period at the time of this transaction.				
f)	Place of the transaction	London Stock Exchange (XLON)				

**Notification and public disclosure of transactions by persons discharging managerial responsibilities and persons closely associated with them**

<b>1</b>	<b>Details of the person discharging managerial responsibilities/person closely associated</b>	
a)	Name	Shawn McCormick
<b>2</b>	<b>Reason for the notification</b>	
a)	Position/status	PDMR

b)	Initial notification/ Amendment	Initial Notification				
<b>3</b>	<b>Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor</b>					
a)	Name	Rainbow Rare Earths Limited				
b)	LEI	213800HONYSAXTG6KS11				
<b>4</b>	<b>Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted</b>					
a)	Description of the financial instrument, type of instrument	Ordinary shares of no par value each				
	Identification code	GG00BD59ZW98				
b)	Nature of the transaction	Award of option to purchase ordinary shares of the Company. Following the transaction, Mr. McCormick holds 850,000 options to purchase ordinary shares.				
c)	Price(s) and volume(s)	<table border="1"> <thead> <tr> <th>Price(s)</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr> <td>n/a</td> <td>500,000</td> </tr> </tbody> </table>	Price(s)	Volume(s)	n/a	500,000
Price(s)	Volume(s)					
n/a	500,000					
d)	Aggregated information					
	Aggregated volume	500,000				
	- Price	n/a				
e)	Date of the transaction	23 August 2017 Note: the Company is not considered in a close period at the time of this transaction.				

f)	Place of the transaction	London Stock Exchange (XLON)
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**Notification and public disclosure of transactions by persons discharging managerial responsibilities and persons closely associated with them**

<b>1</b>	<b>Details of the person discharging managerial responsibilities/person closely associated</b>	
a)	Name	Robert Sinclair
<b>2</b>	<b>Reason for the notification</b>	
a)	Position/status	PDMR
b)	Initial notification/ Amendment	Initial Notification
<b>3</b>	<b>Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor</b>	
a)	Name	Rainbow Rare Earths Limited
b)	LEI	213800HONYSAXTG6KS11
<b>4</b>	<b>Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted</b>	
a)	Description of the financial instrument, type of instrument	Ordinary shares of no par value each
	Identification code	GG00BD59ZW98
b)	Nature of the transaction	Award of option to purchase ordinary shares of the Company. Following the transaction, Mr. Sinclair holds 850,000 options to purchase ordinary shares.

c)	Price(s) and volume(s)	Price(s)	Volume(s)
		n/a	500,000
d)	Aggregated information		
	Aggregated volume	500,000	
	- Price	n/a	
e)	Date of the transaction	23 August 2017 Note: the Company is not considered in a close period at the time of this transaction.	
f)	Place of the transaction	London Stock Exchange (XLON)	

**\*\*ENDS\*\***

For further information, please contact:

Rainbow Rare Earths Ltd	Martin Eales	Tel: +44 (0) 20 7494 8206
St Brides Partners Ltd	Lottie Brocklehurst Susie Geliher	Tel: +44 (0) 20 7236 1177

### Notes to Editors

Rainbow's focus is the Gakara Project in Burundi, one of the highest-grade (47-67% Total Rare Earth Oxide) rare earths projects globally. In January 2017, the Company raised US\$8 million to fast-track the fully permitted Gakara Project to production ahead of targeted first sales of concentrate by the end of 2017. Rainbow has a ten-year distribution and offtake agreement with multinational thyssenkrupp Raw Materials secured for the sale of at least 5,000 tpa of concentrate produced. The Gakara basket is weighted heavily towards the magnet rare earths, including neodymium and praseodymium, which are driving demand and account for 70% of annual global REE sales due to their use in vital components in motors, generators, wind turbines, and electric vehicles.