

**Rainbow Rare Earths Limited**  
("the Company" or "the Group")

**Notification and public disclosure of transactions by PDMR  
and persons closely associated with them**

Rainbow was notified today that Martin Eales, CEO, had purchased 179,000 ordinary shares of the Company at a price of 13.99p. Martin Eales now has a beneficial interest in 2,257,299 ordinary shares, representing 1.29% of the total issued share capital.

For further information, please visit <http://rainbowrareearths.com> or contact:

Rainbow Rare Earths Ltd	Martin Eales	Tel: +44 (0) 20 3910 4550
St Brides Partners Ltd	Lottie Wadham Susie Geliher	Tel: +44 (0) 20 7236 1177
Arden Partners plc	William Vandyk Benjamin Cryer	Tel: +44 (0) 20 7614 5900
Hannam & Partners (Advisory) LLP	Neil Passmore Ben Newman-Sanders	Tel: +44 (0) 20 7907 8500

1.	<b>Details of the person discharging managerial responsibilities / person closely associated</b>		
a)	Name	Martin Eales	
2.	<b>Reason for the notification</b>		
a)	Position/status	CEO	
b)	Initial notification/Amendment	Initial notification	
3.	<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	
4.	<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	
	Identification code	GG00BD59ZW98	
b)	Nature of the transaction	Purchase of Shares of No Par Value	
c)	Price(s) and volume(s)	Price(s)	Volume(s)
		0.1399	179,000
d)	Aggregated information		

	- Aggregated volume - Price	179,000 £25,053.60
e)	Date of the transaction	2017-12-22
f)	Place of the transaction	London Stock Exchange, Main Market (XLON)

**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. The Company raised US\$8 million in January 2017 to fast-track the fully permitted Gakara Project to production ahead of targeted first production and sales of concentrate by the end of 2017, which has now been achieved. 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.