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Planning application to establish rare earth processing facility at Saltend Chemicals Park, Yorkshire

Pensana Rare Earths Plc (LSE:PRE, ASX:PM8) ("Pensana" or "the Company") is pleased to announce that it has submitted a planning application for the proposed rare earth oxide separation facility at the Saltend Chemicals Park, Humber, Yorkshire.

The US$125 million facility will generate around 100 direct jobs once constructed and in operation. It is being designed by Wood Group to become one of the world's largest producers of rare earth oxides, crucial components in the manufacture of powerful permanent magnets which are used in a range of growing advanced industries including electric vehicles and offshore wind turbines.

The application, which is expected to take up to three months to review, supports Pensana's commitment to establish the world's first fully sustainable mine to magnet metal supply chain in the UK.

The Saltend Chemicals Park is a cluster of world-class chemicals and renewable energy businesses including BP Chemicals, Ineos, Nippon Gohsei and Air Products. It is strategically located on the Humber estuary, a gateway to Europe and the UK's busiest ports complex.

The 370-acre site has had £500 million of investment over recent years and is managed by the px Group, a leading provider of services in complex industrial sectors.

The site provides 'plug and play' services with ready access to the port, a wide range of utilities, power, chemical supply, logistics and a large pool of skilled personnel with experience in the chemicals industry.

Pensana's Chairman Paul Atherley commented:

"We have been delighted with the enthusiastic support from a broad range of stakeholders for this proposed investment, which will create high value

manufacturing jobs in the Humber region and will be an important step in establishing the world's first sustainable mine to magnet metal supply chain in the UK.

The plug and play services provided by the px Group at the world-class Saltend Chemicals Park have substantially reduced the capital cost of the proposed facility, allowing us to focus on the operational aspects of the investment and providing scope for our longer-term ambitions.

We look forward to working with local stakeholders on establishing the approvals for this investment in high value manufacturing in the UK."

Authorised by the Board of Pensana Rare Earths Plc

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About Pensana (LSE:PRE)

Pensana is a British company listed on the main Board of the London stock exchange committed to establishing the world's first fully sustainable mine to magnet metal supply chain.

The heart of this commitment is a nationally significant rare earth chemical processing facility Pensana proposes to build at the Saltend Chemical Park in the Humber, Yorkshire.

The project will generate high value manufacturing jobs in the Humber region and position the UK as a leading provider of products to power the European Green Industrial Revolution.

Saltend is in a region with rich manufacturing heritage, skilled operators, strong government support and enviable logistics. It houses multinational companies including Air Products, BP Chemicals, Ineos and Nippon Gohsei.

Pensana is developing the world class Longonjo mine in Angola as a supplier to the Saltend facility. Longonjo is the first major rare-earth mine to be brought online in over a decade. Its high grade near surface deposit benefits from access to the US$2 billion Benguala rail line linking the mine to the Atlantic port of Lobito.

UK Government and EU Initiatives supporting rare earth processing in Europe

The Company notes the various initiatives surrounding the Northern Powerhouse and the broader commitment to attract investment in high value manufacturing in the UK which will support the green economy.

In this light the Company welcomes the approval by the Government for Less Common Metals Limited to carry out a feasibility study into a fully integrated supply chain for rare earth permanent magnet production in the UK and looks forward to supporting this important study.

The Company has commenced discussion with the Department for International Trade regarding the establishment of a sustainable permanent magnet supply chain in the UK and is working with the various initiatives supporting the electric vehicle industry and the offshore wind industry in the UK.

British utility SSE and Equinor have recently announced £6 billion financing, the

world's largest offshore wind financing to date, to fund the development of the Dogger Bank offshore wind power farm located 130 kilometres (80 miles) off the Yorkshire coast.

Dogger Bank will become the world's largest offshore wind farm and will be powered by an array of 260 metre high Haliades X 13MW turbines, each requiring over 7 tonnes of permanent magnets. It will have the capacity to generate enough renewable electricity to power 4.5 million homes, or 5% of the UK's total electricity supply.

The UK and the EU lead the world in the Offshore Wind and EV industries, both of which are dependent on permanent magnets. Both have recognised that the green recovery requires critical raw materials and that a sustainable magnet metal supply chain is needed.

The Company has joined a range of industry bodies including the Critical Minerals Association, the Rare Earth Industry Association, and Thierry Breton, the EU's internal market commissioner, recently announced the establishment of a European Raw Materials Alliance recognizing that the EU needs to establish sustainable supply and processing capacity of rare earths.

The EU has recently announced that €10 billion of the EU recovery fund will be allocated to development of sustainable raw materials of which €3 billion will be allocated to the development of a rare-earth supply chain.