



21 September 2020

Royalty over Tanzania gold exploration assets

Pensana Rare Earths Plc (LSE: PRE, ASX: PM8) is pleased to report its responsibilities in the Miyabi exploration gold project in Tanzania will be assumed with immediate effect by Drillcraft Limited, a private company based in Mauritius with an established gold operational base in Tanzania.

The transaction will comprise the receipt of net cash proceeds by Pensana of approximately US\$0.4 million payable alongside a five-year, 2% royalty participation agreement over the existing mineral resource estimate of approximately 0.5 million ounces of gold, with operations forecast to commence in mid-2021.

Chairman Paul Atherley commented:

"Having recently announced a substantial upgrade to the Mineral Resource estimate at our flagship Longonjo Project, the transaction on the Miyabi exploration asset allows us to focus fully on bringing online the first major rare earth mine in over a decade to meet the burgeoning demand for magnet metals in electric vehicles and wind turbines."

Authorised by the Board of Pensana Rare Earths Plc

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Pensana Rare Earths Plc is a junior mining company listed on the main board of the London Stock Exchange and ASX. The Company has an experienced mine development team that is rapidly developing the large and high-grade rare earths mining project located at Longonjo near Huambo, Angola.

The Company has recently received Angolan Presidential approval and financial backing from the Angolan sovereign wealth fund to develop the Longonjo Project as the world's first major rare earth mine to be brought online in over a decade to help meet the rapidly growing demand for the magnet metals critical for electric vehicles and offshore wind turbines and a range of other applications important for the transition towards a green economy.