

29 March 2021

First phase project progression from the UK Automotive Transformation Fund

Pensana Plc (LSE: PRE) (“Pensana” or “the Company”) is pleased to report that the Company’s proposed rare earth processing facility at the world-class Saltend Chemicals Park (“Saltend”) has received first phase progression from the UK Government’s £1 billion Automotive Transformation Fund (ATF) which seeks to support the national transition to Electric Vehicles.

The UK electrified supply chain opportunity is estimated at £24 billion over the next five years. The ATF is a long-term programme designed to enable the UK to build the world’s most comprehensive and compelling electrified vehicle supply chain, supporting over 160,000 jobs and creating export opportunities. It is part of Advanced Propulsion Centre UK, which provides funding, support and insight to help the nation’s automotive industry transition towards a Net Zero future.

The project proposal, under ATF’s focus on *Rare Earth element processing for magnetic engine drivetrain components: supporting the UK’s transition to Electric Vehicles*, is anchored by the nationally significant, US\$125 million investment in the project proposed at Saltend within the Zero Carbon Humber cluster in Humber, Yorkshire.

Pensana’s investment will generate over 100 skilled jobs and will be the world’s first major rare earth separation facility to be established in over a decade, supplying critical magnet metals into advanced manufacturing industries including electric vehicles and offshore wind turbines.

Recently granted Freeport status provides the Humber zone with business tax and customs relief as well as other potential tax incentives which further assist the Company to deliver sustainably sourced, high value manufacturing products to European and international supply chains.

Pensana's Chairman, Paul Atherley commented:

"We welcome first phase progression of our project proposal to the Automotive Transformation Fund and plan to work with Government on the establishment of one of the world's first mine to metal supply chains which will be central to the transition to electric vehicles in the UK and an important step on the journey to our Net Zero future."

For further information:

Pensana Plc

Website: www.pensana.co.uk
Paul Atherley Chairman / Tim George, CEO contact@pensana.co.uk