

Pensana Plc
("Pensana" or the "Company")

Pensana signs a Memorandum of Understanding for 25% of production

Pensana (PRE.L) has signed a memorandum of understanding for offtake of 25% of annual production to supply critical raw materials for production of magnet materials needed to support the burgeoning demand for electric vehicles and offshore wind.

Pensana is extremely pleased to be entering into this strategic relationship by supplying Rare Earth oxides from the Saltend processing hub in the freeport Hull, we will continue to develop the independent and sustainable supply chain for low carbon rare earth products to be produced in Europe.

Pensana recently broke ground at the Saltend Chemical Park in the Humber Freeport UK with high-value raw materials supplied from the hydroelectric-powered state-of-the-art mine at Longonjo in Angola.

Chairman Paul Atherley commented:

"This agreement represents a significant step forward in our goal of providing an independent and sustainable supply of rare earth magnets for the Electric Vehicle and offshore wind industries. By having a significant partner across the globe, we now have further validation from the industry that Pensana's project is an essential element in the growing value chain for these critical minerals.

We look forward to closely working with our partners and hope to expand our relationship as our project progresses with the introduction of Metal conversion and Heavy Rare earth separation at our Saltend facility powered by offshore wind, offering ultra-low embedded carbon products essential for the energy transition."

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About Pensana Plc

The electrification of motive power is the most important part of the energy transition if we are to tackle climate change and one of the biggest energy transitions in history. Magnet metal rare earths are central to that transition, forming a critical part of the technology for efficient electric vehicle motors and offshore wind turbines.

Pensana plans to establish its Saltend processing hub as an independent and sustainable supplier of the key rare earth magnet metal oxides to a market which is currently dominated by China.

The US\$195 million Saltend facility is being designed to produce circa 12,500 tonnes per annum of rare earth products, of which 4,500 tonnes will be neodymium and praseodymium oxide (NdPrO), representing over 5% of the world market in 2025.

Pensana's plug-and-play facility is located within the world-class Saltend Chemicals Park, a cluster of leading chemicals and renewable energy businesses in the Humber Freeport and will create over 500 jobs during construction and over 125 direct jobs once in production.

Powered by low-carbon offshore wind, it will be the first major separation facility to be established in over a decade and will become one of the few major producers located outside China.

Feedstock will be shipped as a clean, high purity mixed rare earth sulphate (MRES) from the Company's Longonjo low-impact operations in Angola. The mine's state-of-the-art concentrator and proprietary MRES processing plant are designed by Wood to the highest international standards.

The operations will be powered by renewable energy from hydroelectric power and connected to the Port of Lobito by the recently upgraded Benguela railway line.

Pensana believes that provenance of critical rare earth materials supply, life cycle analysis and GHG Scope 1, 2 and 3 emissions will all become significant factors in supply chains for major customers.

The Company intends to offer customers an independently and sustainably sourced supply of the metal oxides and carbonates of increasing importance to a range of applications central to addressing the energy transition.

Pensana is also aiming to establish Saltend as an attractive alternative to mining houses that may otherwise be limited to selling their products to China, having designed the facility to be easily adapted to cater for a range of rare earth feedstocks.

www.pensana.co.uk