

## THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

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

#### Construction on track for 2027 first production

Pensana (PRE.LSE) is pleased to advise that the main construction activities at the Longonjo Rare Earth Project ("the Project"), one of the world's largest and highest-grade rare earth mines, continue at pace and that the project is looking forward to a twelve-month period of intense activity with commissioning scheduled for 2027.

Initial annual production will be 2,400 tonnes of light magnet metals NdPr accompanied by 73 tonnes heavy magnet metals DyTb in the form of clean high value mixed rare earth carbonate with plans to double production to 4,200 tonnes NdPr and 122 tonnes DyTb post 2030.

Current resources are over 300 million tonnes and as previously announced an 11,000 metre drill programme has been planned which is designed to increase resources towards one billion tonnes, which would make Longonjo one of the world's largest rare earth deposits ever developed.

The Project will be powered by low cost sustainable hydro-electricity supplied from the Luaca dam hydro project. The Project is connected to the Port of Lobito via the U.S. Government backed Lobito corridor rail and services which are connecting Ivanhoe's recently commissioned Kamo-a-Kakula copper smelter in the DRC to the Atlantic seaboard.

Discussions are well advanced with a number of parties to establish a U.S. mine-to-magnet supply chain realigning a major long term supply chain of critical minerals from Angola to OEM backed magnet producers in the U.S.

#### Highlights:

- **The main pre-construction facilities have been installed and are operational, including the camp and accommodation, construction and site power and water treatment facilities;**
- **The process plant terrace and contractor's laydown areas have been completed with preparations for piling operations well advanced;**
- **Bulk earthworks and starter walls for the tailings storage facility are underway following completion of site clearing;**
- **The aggregate and concrete batching plants are being commissioned for the first large concrete pours scheduled for March;**
- **Major equipment vendor packages are progressing on schedule.**

CEO, Tim George, commented:

*"We are delighted with the progress by the engineering team to bring this world class project through design, engineering and pre-construction and up to the commencement of main construction. Huge thanks to Project Manager Kevin Botha and his team for their considerable efforts to date as we look forward to a period of intense construction activity over the next twelve months."*

## **Pre-construction activities completed**

Final compaction of the 44,000m<sup>2</sup> laydown area was completed creating capacity for the concrete batch plant, contractor facilities and equipment storage ahead of installation on the plant terrace.

Design of the plant terrace and internal road network by RMCE has been finalized, with the road infrastructure programme schedule for implementation by Grupo Nov during Q2 2026. RMCE will continue to oversee plant terrace design and associated civil and structural works under the supervision of the owner's team.

The power infrastructure and reticulation, connecting the site to the Longonjo grid connection, has been energised and will meet all construction power demands for the next 18 months.

Underground sleeves have been installed across the main road, with excavation for cabling connections to contractor laydown area distribution pillar boxes underway.

The wastewater treatment plant is now fully operational alongside completion of the pipeline for the containment and management of excess treated water.

## **Main construction progress**

Bulk excavations for the Tailings Storage Facility (TSF) are underway, led by Grupo Nov, and will remain a critical path priority over the next twelve months as the Company advances toward first production.

Topsoil stripping has been successfully completed, and excavation of the box cut for the initial 12.8-hectare TSF compartment - a key component supporting the plant commissioning programme - is progressing well and is scheduled to continue over the next four months.

Material excavated from the box cut has undergone compaction testing by SRK and has been confirmed as suitable for construction of the 14-hectare TSF starter wall, supporting both the first and second TSF compartments. This outcome provides a positive cost and schedule advantage through the utilisation of on-site materials.

SRK has also completed the full scope of geotechnical investigations, including localised test pits and core drilling, with the detailed engineering design for sub-liner drainage systems, return water dams, pollution control infrastructure and long-term TSF closure considerations now approaching completion.

Bulk earthworks have been the principle focus during Q1 2026. Successful compaction of the 68,000m<sup>2</sup> plant terrace area has been independently verified by SRK undertaking DPSH/DCP testing across the entire area, mapping load bearing characteristics in detail to inform final civil design and piling requirements for individual major equipment installation.

In preparation for piling and broader civils, the on-site 60m<sup>3</sup>/hr batch plant currently being commissioned alongside the 60 t/hr jaw and cone crusher aggregate plant located at the granite quarry 3km from site. The product has been graded suitable for the various aggregate specifications. Sizing of the batch and aggregate plant is based on adequate delivery for the various continuous concrete pours and some 3,000 sleepers required as support for the modular pipe and cable rack units during the construction period.

Steel piling material supplied by TRM in Sweden for the hammered piling is *en route* to site with installation of the initial batch of 500 x 170mm diameter piles scheduled to commence in late March

2026. Priority is given to the 197 piles required for the ball mill which is fully fabricated and currently awaiting road transport to site from Johannesburg under the overall Project logistics contract services provided by DHL. The piling program, totaling 2250 piles to resistance at approximately 15m depth, is scheduled to be completed by September 2026.

### **On schedule for 2027 commissioning**

Off-site engineering works in progress include:

- Lycopodium & ProProcess (Engineering Service Providers) plus various vendor package suppliers continue with detailed design and engineering under supervision of the Owner's team with all packages on schedule;
- The front end and blending stockpile area detailed design and engineering has been completed by Crush & Screen in Perth;
- The comminution circuit, which includes pumping to the Barite pre-flotation section, is currently under detailed design in Manilla and is progressing;
- The Ball Mill refurbishment by NCP has been completed and the equipment is currently in storage at DHL in Johannesburg awaiting dispatch to site;
- The Scrubber package has been awarded to Cobar (South Africa) and detailed design is progressing;
- The Flash Dryer and Acid Mixer package awarded to Ingetecsa (Spain) is in detailed design with manufacture scheduled to commence in March 2026;
- Completion of nano-filtration testwork by BMS/Memcon (South Africa) to validate detail design parameters has been completed and the detailed design commenced;
- The Caustic Dissolution Plant package has been awarded to ProProcess Engineering and detailed design has commenced;
- The Off Gas Scrubbing package has been awarded to TAPC (Australia) and detailed design is progressing;
- International Quality Services (IQS) continue quality checks under Owner's Team supervision on local and global vendors including the 250tpd Acid Plant by Clark Solutions (Brazil);
- The Kiln & Cooler detailed design and manufacture by Drytec are progressing satisfactorily;
- Detailed design and 3D modelling of the Eriez flotation columns is progressing; and
- The Filter Presses & Thickeners detailed designed and manufactured by Roytec (South Africa) are progressing.

Ongoing community and camp related activities include:

- The Resettlement Action Plan (RAP);
- The Livelihood Restoration Program (LRP) supported by the demonstration plots under cultivation;
- The Transitional Support Programme for Project Affected Households (PAH);
- Training of local residents in accommodation and messing related activities in the camp; and
- Training of local residents in minor maintenance works associated with the camp and other project related activities.

### **Strong demand for product and rare earth prices boasting economics**

Since Q4 2025, the quoted Neodymium/Praseodymium Oxide price (CIF North America) has increased materially, rising from approximately US\$83/kg in November 2025 to over US\$135/kg in February 2026.

This strengthening price environment reflects sustained growth in demand for secure, independent western-facing supply of rare earth materials and reinforces the strategic importance of delivering first production in 2027 as scheduled. The improving pricing backdrop has a direct and favourable impact on projected project economics.

Against a backdrop of tightening supply chains, the company is experiencing increasing market interest in expanding beyond the planned 2,400 tonnes per annum of NdPr production and further leveraging the scale of the Longonjo resource base.

In particular, engagement with US-based magnet producers has intensified around heavy rare earth supply. This has led to the identification of an enhanced heavy rare earth recovery stream with the potential to increase dysprosium and terbium output up to fivefold as announced in November 2025.

At full scale, this would position Pensana as one of the significant producers of heavy rare earths in the western market. The technical team continues to assess additional recovery pathways to further optimise output. This increased recovery results in an additional US\$155 million revenue over and above prior base case at phase 2 production. This is based on the current market for these materials at US\$1,125/kg for Dysprosium and US\$4,500/kg for Terbium\*.

The combination of increased heavy rare earth production potential and the substantial scale of the Longonjo orebody, positions Pensana at the centre of the emerging US-focused rare earth supply chain.

Following the partnerships signed in June 2025 with ReElement Technologies, Hanwa and Toyota Tsusho, and the cooperation agreement executed in October 2025 with VACUUMSCHMELZE, the Company continues to receive interest from additional magnet producers, including Vulcan Elements, which has partnered directly with the U.S. Department of Defense.

Importantly, demand signals are increasingly originating downstream from OEM sectors spanning defence, automotive, aerospace and hyperscale data infrastructure, including companies such as Amazon and Microsoft. This structural pull from end users underscores the strategic relevance of establishing large-scale, secure and transparent rare earth supply chains aligned to western industrial policy priorities.

*\* According to Benchmark Mineral Intelligence's pricing assessment published on 19/02/2026, dysprosium oxide (CIF Europe) and terbium oxide (CIF Europe) Benchmark notes these levels are higher than prevailing Chinese domestic prices over the same period, reflecting the strategic importance and limited availability of these materials in non-Chinese supply chains. These prices are indicative and reflect Benchmark's assessment as at 19/01/2026*

## **About Pensana**

Pensana is developing one of the world's largest and highest-grade magnet metal rare earth deposits which will produce initially 20,000 tpa of a clean high value MREC including both LREE and HREE. The plan is to expand production to 40,000 tpa of MREC once initial operations have been established.

The Longonjo operation will extract, concentrate, calcine and chemically refine the free dig material to produce a high-value MREC which will be railed 273km in containers to the Atlantic port of Lobito for export.

The Longonjo rare earths deposit is located adjacent to the Lobito rail corridor approximately 60 km west of the provincial capital of Huambo in central Angola.

The project currently under development comprises an open pit, concentrator and recovery plants,

tailings storage facility (designed to meet the requirements of the Global Industry Standard on Tailings Management), process water supply, bulk power supply, mine infrastructure, workshops, offices, accommodation village, recreational facilities, and other associated infrastructure.

### **About the Lobito Corridor**

The 1,300 kilometre Lobito Corridor rail and services corridor connects mineral and energy developments in Angola, the DRC and Zambia to the Atlantic Port of Lobito. Ivanhoe Mines recently commissioned Kamao-Kakula copper smelter in the DRC and is a user of the line.

The rail concession, operated by Trafigura, Moto-Engil and Vecturis, is supported by the U.S. Governments through a US\$553 million DFC backed financing and the European Union through financial and other commitments.

The Lobito corridor is seen as an important Atlantic access to the Copper belt and other critical mineral developments at a time when China is investing US\$1.4 billion into the 1,860 TAZARA railway connecting Zambia to the East coast Ports of Africa.

**The information contained within this announcement is considered by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No.596/2014. Upon the publication of this announcement via a Regulatory Information Service, this inside information will be considered to be in the public domain. The person responsible for arranging for the release of this announcement on behalf of the Company is Paul Atherley (Chairman).**

**-ENDS-**

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