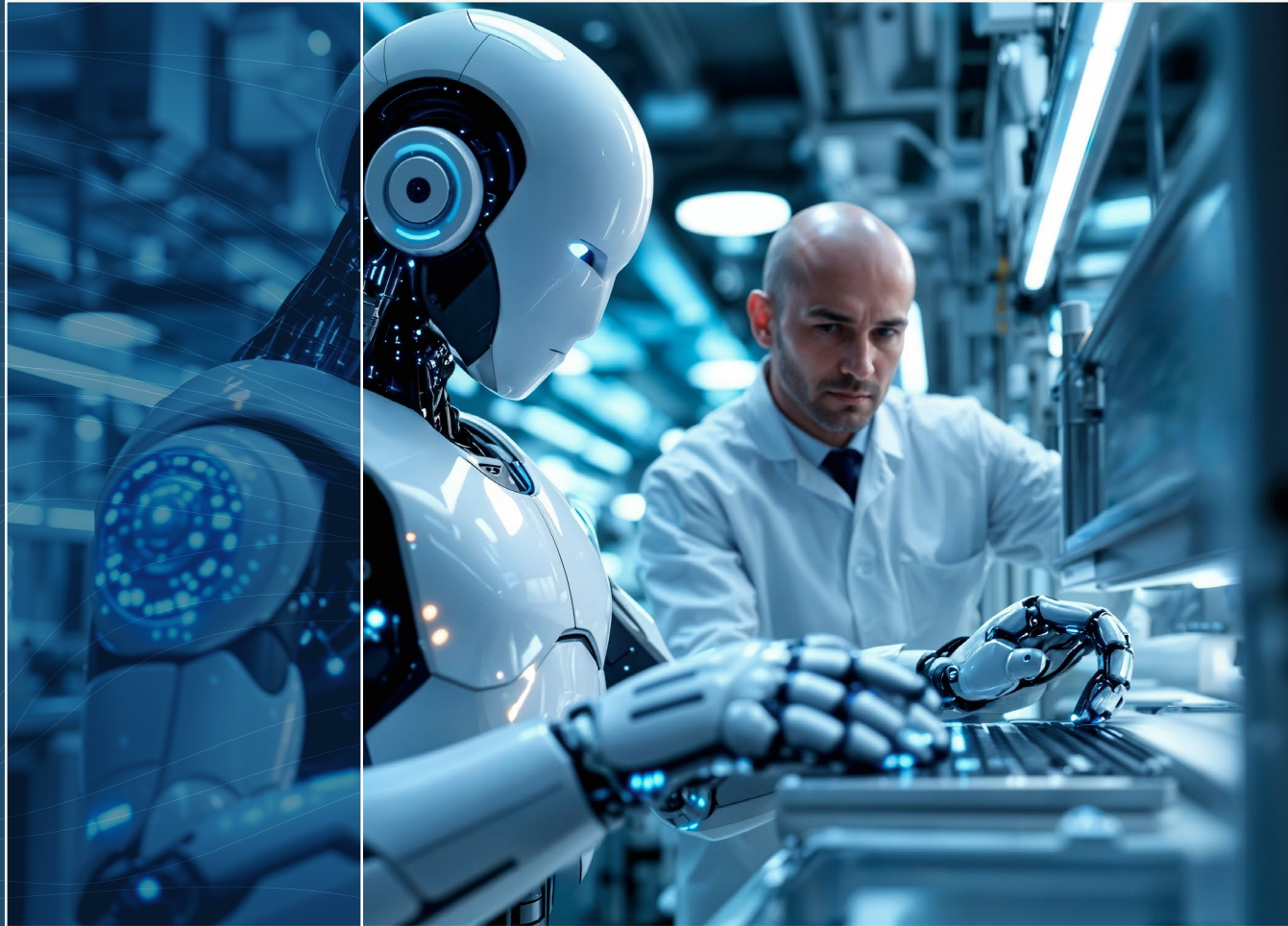
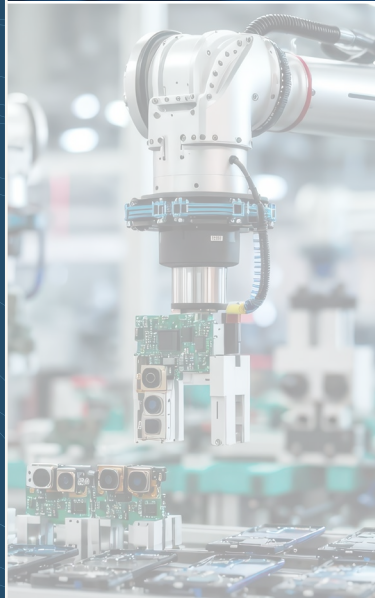




PENSANA Plc



2026 ANNUAL REPORT

for the financial year ended 30 June

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The directors of Pensana Plc (the company) submit herewith the annual financial report of Pensana Plc (consolidated entity) for the year ended 30 June 2026.

CORPORATE HIGHLIGHTS

- Received US\$15 million as part of the larger strategic investment of US\$165 million from Cascade Natural Resources Limited (Cascade).
- Completed the equity placement of ~US\$10 million, comprising ~US\$7 million from long-term major shareholder M&G Investment Management (M&G) and ~US\$3 million from other institutional investors.
- Received ongoing support from major shareholder Fundo Soberano de Angola (FSDEA, also known as the Angolan Sovereign Wealth Fund) through the partial conversion of its US\$15 million loan into equity.
- Secured asset-level investment of US\$25 million from FSDEA for a 16.7% share in the Angolan subsidiary, Ozango Minerais SA (Ozango), the mining licence holder of Longonjo.
- Engaged with the Export-Import Bank of the United States (U.S. EXIM) to expedite the company’s mine-to-magnet supply chain and support the US\$160 million Absa debt funding for the Longonjo Rare Earth Mine (Longonjo).

Post period-end:

- In September 2026, the company signed an earn-in agreement for the Coola exploration property under which US\$2.6 million is to be spent over three years, with Pensana’s interest reducing to 20% upon completion of the earn-in agreement.

OPERATIONAL HIGHLIGHTS

- The US\$250 million Longonjo development is underway for the first commissioning of the mixed rare earth carbonate (MREC) in 2028, with an initial mine life of 20 years, producing 20,000t of clean MREC, expanding to 40,000t in year four.
- As at 30 June 2026, US\$45 million has been spent on direct mine and processing plant development costs, with the overall project 26% complete. The major site earthworks, geotechnical, drilling and test-piling programmes have been completed and the on-site concrete batch and aggregate plants have been fully commissioned.
- A detailed evaluation of the Longonjo flowsheet has identified the scope to increase the heavy rare earth oxides (HREOs) contained in the MREC by up to fivefold.
- Longonjo hosts one of the world’s largest undeveloped rare earth mines with a JORC Ore Reserve containing 139,457t of neodymium-praseodymium (NdPr) and 3,689t of dysprosium-terbium oxide (DyTbO), with a mine life of more than 20 years based on near-surface resources, with the potential to increase resources to over 1 billion tonnes after the forthcoming drilling programme.
- During the period, the company recognised an impairment charge of US\$5.9 million in respect of its Saltend Project, reflecting the current status and revised outlook for the project. The company is evaluating alternative locations and development pathways for its downstream processing facilities as part of its broader downstream strategy.

FY2026 RESULTS

TOTAL COMPREHENSIVE LOSS FOR THE PERIOD
US\$16,995,850
(2025: US\$5,872,510)

TOTAL LOSS AFTER TAX FOR THE PERIOD
US\$14,055,989
(2025: US\$11,497,912)

PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS
US\$111,704,226
(2025: US\$78,728,336)

CASH AND CASH EQUIVALENTS
US\$5,647,813
(2025: US\$811,049)



STRATEGIC REPORT

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CHAIRMAN'S REVIEW



Longonjo is one of the largest rare earth deposits currently under construction globally and is attracting increasing interest from downstream offtake parties seeking near-term supplies of both light and heavy rare earths.

Longonjo has the advantages of a low capital cost due to the world-class infrastructure of the Lobito Corridor, hydroelectric power, supportive policies of the Angolan government and the ongoing investments from the Angolan Sovereign Wealth Fund (FSDEA).

It is clear from our deep engagement with offtake partners and the approaches we have received from downstream developers that Longonjo is one of the few major rare earth mines expected to come online in the near term and as such its production is in high demand.

Dear shareholders,

The past year has been characterised by exceptional operational momentum, with Longonjo construction now at 30%, at the time of writing, contrasted with the frustrating delays in the receipt of the major part of the US\$165 million Cascade funding package.

During the first nine months of the year, the team delivered outstanding progress on the construction and development of the Longonjo Mine, successfully completing major site earthworks, geotechnical, drilling and test-piling programmes and the commissioning of the on-site concrete batch and aggregate plants.

This progress demonstrated the project team's operational capability and the executable nature of the project plan.

During the year, the design of a heavy rare earth recovery circuit located at Longonjo was initiated, targeting dysprosium and terbium production of up to 122t per year, which will make Longonjo one of the Western world's largest heavy rare earth producers.

Ongoing engagement with several potential major downstream players as part of our multi-partner offtake framework initiatives included all three of the main Japanese magnet producers.

In addition, engagement was advanced with Tier 1 original equipment manufacturers (OEMs) in Japan (Honda, Nissan and Daido Electronics), and leading automotive OEMs in the European Union (EU) (Mercedes, JLR, BMW and VW) as well as in the United States (US) (Tesla and General Motors).

All the major Japanese trading houses were also engaged, including Hanwa, who are sponsoring an investigation into rare earth separation with the Japanese government under the Ministry of Economy, Trade and Industry Global South Initiative.

While good progress was made in the early part of the year on several fronts, the lack of progress on the completion of the US\$165 million funding package from Cascade and its backers (Government of Qatar) has resulted in site construction activities being ramped down while the funding position is resolved.

While this is frustrating, and will result in the completion of construction, commissioning and first production being pushed out to late 2028, it does not diminish the fundamental value and strategic importance of the Longonjo Mine in the global market.

It is clear from our deep engagement with offtake partners and the approaches we have received from downstream developers that the Longonjo Mine, even with these delays, is one of the few major rare earth mines expected to come online in the near term and as such its production is in high demand.

Demand for an independent and sustainable supply of rare earth magnet materials continues to grow, driven by the structural growth of the electric vehicle and wind energy sectors, and more recently through robotics in automation and humanoid robots.

Longonjo is seen as not just a feedstock for this global supply, but one of the largest and earliest to come online and importantly one that is both independent and sustainable. Longonjo is increasingly seen as a highly strategic supplier of rare earth feedstock into a world looking for independent supply chains.

In the near term, the board and management team are working tirelessly to resolve this capital constraint created by the delay in the Cascade funding, build on the substantial progress made in the first half of the year and bring the mine into full production at the earliest opportunity.

We appreciate your patience and resilience during this challenging period for the company and all its stakeholders. We remain entirely focused on unlocking the immense value of the Longonjo Mine and the associated downstream opportunities and delivering the secure supply of critical minerals the world urgently requires.

Importantly, we see Longonjo as Angola's flagship mining project, proving that, with the support of the Angolan government and the local community, a regional exploration project can be developed within a few short years into one of the world's largest critical minerals mines. This will bring jobs and prosperity to the local community of Longonjo, the region of Huambo as it moves into construction and strong fiscal returns to the government of Angola in the future.

We are grateful to Mr Armando Manuel, president of the board of FSDEA, and his team for their ongoing support of this important project, to M&G, our major United Kingdom (UK) shareholder, and the various Japanese and US government agencies for their support in unlocking grant funding.

We look forward to reporting to you on the progress of your company over the forthcoming 12 months.

Paul Atherley
Executive chairman

23 October 2026

CHIEF EXECUTIVE OFFICER'S REVIEW



Longonjo achieves construction milestones as we steadily progress towards targeted production in 2028.

Dear shareholders,

This past year has been a period of both significant milestone achievements and complex financial challenges. While we have made substantial, visible progress on key construction and detailed engineering workstreams at Longonjo, we have also encountered unexpected funding constraints that ultimately slowed our momentum in the latter half of the year.

Main construction activities at Longonjo ramped up significantly in the second and third quarters of the period under review, with the engineering, procurement and construction teams, ably led by project manager Kevin Botha, making significant progress, resulting in an overall completion rate of the Longonjo Mine of 30% at the end of September 2026.

The major site earthworks, geotechnical, drilling and test-piling programmes were completed and the on-site concrete batch and aggregate plants were fully commissioned. Manufacture of the long-lead process equipment was well advanced, with the majority of capital expenditure currently committed under the procurement schedule.

Contingent on timing of funding, the next phase of the Longonjo construction programme will be focused on piling and civils installations, which will facilitate completion of all off-site fabricated items, delivery of equipment modules followed by the erection of the plant process equipment, ahead of final commissioning and planned production in the later part of 2028.

The operational readiness programme will also include the accelerated construction of an on-site demonstration plant, which will produce mixed rare earth product sample, facilitate grade control, blending and resource expansion test work and also serve as a valuable training platform in the lead-up to full plant commissioning.

Alongside the construction programme, the company intends to execute an infill and resource expansion drill programme at Longonjo. The 7,000m programme will drill a 10m x 10m grid across the weathered run-of-mine (RoM) ore zones to provide both detailed geological and grade control information ahead of the commencement of mining and also feed into the resource expansion drilling programme.

The full vertical extent of the mineralisation will be tested for a potential increase in inferred resources from the existing 313Mt at 1.43% total rare earth oxide (TREO) towards 1 billion tonnes at a similar grade – which would make it one of the world's largest rare earth deposits currently in development.

In September 2025, the company signed an Power Purchase Agreement (PPA) with the Angolan National Electricity Transmission Network (RNT). Under the agreement, 80MW of electricity transmitted at 220kV will be supplied from the Belém do Dango substation, located in Huambo province, directly to Longonjo. This PPA allows Longonjo to benefit from the 2GW Laúca hydropower scheme infrastructure, delivering low-cost, low-carbon electricity that underpins both operating economics and the company's strong environmental credentials.

Ongoing community and camp-related activities continue to form a major element of our on-site development, with ongoing focus on the Resettlement Action Plan (RAP) and the Livelihood Restoration Programme (LRP) supported by the demonstration and training plots currently under cultivation for the past three years. Focus was also placed on the training of the local community in accommodation and mess-related activities in the camp as well as training in minor maintenance works associated with the camp and other project-related activities.

These on-site developments have all been made possible through the continued support of our largest shareholder, the Angolan Sovereign Wealth Fund (FSDEA), alongside M&G and other invested Pensana shareholders. Investment in the current period included a US\$25 million asset level investment by FSDEA which, combined with funds advanced by Pensana, amounted to US\$45 million capital deployed towards the US\$250 million Longonjo construction programme.

The current period also included the announcement of the US\$165 million investment by Cascade, of which US\$15 million was received to date. While engagement with Cascade and its backers continues, the company has engaged with its major shareholders and entered detailed financing discussions, with a view to bringing the mine through commissioning and into production. During these ongoing engagements, outstanding detailed construction design activities, high-cost site activities and long-term procurement items have been ramped down until the financing has been finalised. Consequently, the overall construction schedule is expected to be extended from the previously announced 2028 to late 2028.

Longonjo ranks as one of the world's largest undeveloped rare earth mines and, as previously announced, the current production plans are based on ore recovered from the top 30m of the orebody. Previous drilling has intersected mineralisation to a depth of over 100m and remains open at depth, highlighting considerable potential to expand resources, support increased mine life and expand future production at a reasonable cost and with lower comparative risk than greenfield options.

In light of this, and after reviewing the exploration potential and access infrastructure costs of the Coola Project located 30km from Longonjo, the company has accepted an exploration farm in offer from Australian Securities Exchange (ASX)-listed Tyranna Resources Limited (ASX: TYX) post period-end, under which US\$2.6 million will be spent over three years, with Pensana's interest reducing to 20% upon completion of the earn-in agreement. Should there be a successful development of a mine at Coola, the option remains for the mine product to be treated at Longonjo.

A significant value-enhancement initiative has been initiated to develop a heavy rare earth element (HREE) recovery facility alongside the primary MREC process plant. Technical studies indicate that the current MREC product, which contains approximately 30t per annum of HREO, can be upgraded to contain up to 122t of HREO comprising dysprosium oxide (DyO) and terbium oxide (TbO) in addition to a higher proportion of SEG products than initially anticipated. This upgrade materially strengthens Longonjo's position as one of the very few suppliers outside China capable of delivering both light and HREEs into the full mine-to-magnet supply chain. Encouragingly, offtake partners have already confirmed both increased demand and enhanced valuation for MREC with higher HREO content, reinforcing the compelling commercial logic of the investment.

Over the period, our engagement with Japanese and US-based magnet producers has further intensified, particularly in relation to heavy rare earth supply. This has led to the identification of an enhanced heavy rare earth recovery stream with the potential to increase DyO and TbO output by 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.

CHIEF EXECUTIVE OFFICER’S REVIEW continued

The company remains firmly positioned as one of the few producers of light and heavy rare earths, at the substantial scale of the Longonjo orebody. Against a backdrop of continued tightening of supply chains, the company is experiencing increased market interest in expanding the Longonjo Project beyond the planned 2,400t per annum of NdPr production and in further leveraging the scale of the Longonjo resource base.

In parallel, the company has recognised an impairment of its investment in the Saltend facility, reflecting the current assessment of its development and funding requirements. The company continues to evaluate alternative locations for its proposed rare earth separation facility (rare earth separation facility), with the objective of identifying the most commercially attractive and strategically advantageous pathway to establishing an integrated mine-to-magnet supply chain.

The intensified discussions with Japanese and US partners over the past couple of months highlight the strategic significance of Pensana as we seek to unlock funding and work towards production.

We aim to conclude offtake arrangements and further establish a world-class, fully integrated mine-to-magnet supply chain.

Finally, I would like to express my thanks to the Angolan Sovereign Wealth Fund for its continued support and alignment with our long-term mine-to-magnet strategy, M&G for its backing and equity investment during the year, and the Pensana and Ozango project teams for their resilience in navigating the challenges of developing a world-class operation and delivering on our mine-to-magnet vision.


Timothy George
Chief executive officer (CEO)

23 October 2026



Operations at Longonjo rare earths project

FIVE-YEAR PERFORMANCE

The table below sets out summary information about the consolidated entity’s earnings and movements in shareholder equity for the five years to 30 June 2026.

Description	Pensana Plc				
	30 June 2026 US\$	30 June 2025 US\$	30 June 2024 US\$	30 June 2023 US\$	30 June 2022 US\$
Statement of comprehensive income					
Finance and other (costs)/income	(817,200)	(40,000)	–	(28)	28
Net loss before tax	(14,055,989)	(11,497,912)	(5,818,045)	(4,302,823)	(11,712,022)
Net loss after tax	(14,055,989)	(11,497,912)	(5,818,045)	(4,302,823)	(11,712,022)
Weighted average number of ordinary shares (number)	324,820,023	291,117,481	285,997,684	254,074,694	229,019,699
Basic (loss) per share (US\$ cents per share)	(4.16)	(3.95)	(2.03)	(1.69)	(5.11)
Diluted (loss) per share (US\$ cents per share)	(4.16)	(3.95)	(2.03)	(1.69)	(5.11)
Statement of financial position					
Property, plant and equipment	100,726,389	63,708,542	57,354,414	47,969,254	31,277,770
Intangible assets	10,977,837	15,019,794	13,612,261	13,820,318	5,417,432
Net current (liabilities)/assets	(11,318,663)	(29,072,535)	(20,010,861)	(5,028,970)	1,683,787
Total equity attributable to equity shareholders of the parent company	100,274,181	50,525,938	50,955,814	56,760,602	38,378,989
Share price history					
Share price at the start of the year (US\$ cents)	83.1	22.7	33.1	72.0	150.5
Share price at the end of the year (US\$ cents)	122.1	83.1	22.7	33.1	72.0
Market capitalisation (US\$ million)	431.6	248.8	65.7	94.3	169.0

OPERATIONAL REVIEW

The board is pleased to present its review of Pensana Plc, the rare earth exploration, mining and processing development group, currently constructing one of the world’s largest rare earth mines at the Longonjo NdPr Project in Angola.

PRINCIPAL ACTIVITIES

The 2026 financial year has been transformative for Pensana, as the company continued its transition from project developer to future producer through the advancement of the Longonjo Rare Earth Project in Angola. Significant progress was made during this period across project construction, procurement, downstream strategy development, strategic financing and offtake arrangements, positioning the company at the forefront of efforts to establish an independent mine-to-magnet supply chain serving major industrial markets in the US, EU and Japan.

LONGONJO PROJECT DEVELOPMENT

The Longonjo Project is one of the world’s largest and most strategically important rare earth developments. It is designed to produce approximately 20,000tpa of MREC during its initial phase, with plans to expand capacity to 40,000tpa starting from the fourth year of operations. The first MREC production is targeted for 2028.

The project continued to advance during the reporting period, with construction at the Longonjo Mine now more than 30% complete. By June 2026, approximately US\$45 million had been invested directly in mine and processing plant development, with major earthworks, geotechnical investigations and test-piling substantially completed and long-lead process equipment procurement well advanced.

Following the company’s announcement on 25 September 2026, it continues to engage with Cascade and its backers, while also conducting detailed financing discussions with major shareholders and potential offtake partners to secure the funding required to bring Longonjo through commissioning and into production.

Pending finalisation of the financing, certain outstanding detailed construction design activities, higher-cost site activities and long-lead procurement have been scaled back. As a result, the overall construction schedule is now expected to extend from the previously announced 2028 completion date to late 2028.

Major site establishment activities were successfully completed during the period, including earthworks, geotechnical investigations, drilling programmes and test-piling activities. The commissioning of on-site concrete batching and aggregate production facilities marked an important milestone in supporting the efficient execution of the main construction programme.

PROCUREMENT AND CONSTRUCTION EXECUTION

The procurement programme progressed substantially during the year, as the project team focused on securing critical equipment and materials necessary for plant construction and commissioning.

The manufacturing of long-lead processing equipment has made significant progress. Total project spend of US\$45 million, commitments and payables of US\$37 million, and assigned contracts of US\$56 million represent US\$138 million, a substantial proportion of the overall project capital programme and enhances confidence in the timing of execution and the security of supply chain.

The company’s engineering, procurement and construction strategy continues to emphasise schedule certainty, capital discipline and deployment of proven modular processing technologies designed to support efficient delivery and future operational scalability.

RESOURCE BASE AND EXPANSION POTENTIAL

Longonjo continues to host one of the world’s largest undeveloped rare earth deposits. The current JORC Ore Reserve contains 139,457t of NdPr and 3,689t of DyTb, supporting an initial mine life of more than 20 years based on near-surface resources.

In addition to the existing reserve base, the company continues to evaluate opportunities for further resource growth. Planned drilling programmes are expected to assess the broader mineralised system, with the objective of supporting long-term expansion potential. Management believes that the wider project area offers significant upside beyond the currently defined near-surface reserve inventory.

HEAVY RARE EARTH RECOVERY

During the year, Pensana advanced optimisation studies relating to the recovery of HREEs from the Longonjo process flowsheet.

Work undertaken during the period focused on improving the recovery of dysprosium and terbium, two of the most strategically important HREEs used in high-performance permanent magnets. Current optimisation programmes aim to produce around 122tpa of combined dysprosium and terbium products. If achieved, this would position Longonjo among the most significant non-Chinese sources of heavy rare earth supply globally.

TOTAL EQUITY RAISED
IN FY2026 OF
US\$65 MILLION
INCLUDES US\$50 MILLION
IN CASH PROCEEDS AND
US\$15 MILLION IN DEBT
SETTLEMENT

LONGONJO PHASE 1 CAPITAL
SPEND TO DATE OF
US\$45 MILLION
SPENT ON THE DIRECT MINE
AND PROCESSING PLANT
DEVELOPMENT

THE PHASE 1 LONGONJO
NDPR PROJECT CAPITAL
ESTIMATE OF
**US\$250
MILLION**
IS ONE OF THE LOWEST
AMONG NDPR PROJECTS
GLOBALLY

The inclusion of a heavy rare earth component complements Longonjo’s substantial NdPr production profile and further strengthens the project’s strategic importance to Western supply chains.

DOWNSTREAM PROCESSING STRATEGY

Building on the Longonjo development, Pensana continued to advance its downstream strategy during the reporting period. Engineering work commenced on a modular rare earth separation facility designed to align with the anticipated growth profile of Longonjo. This facility is expected to be scalable alongside future mine expansion and is an important component of the company’s long-term mine-to-magnet vision.

The downstream strategy also incorporates metallisation capability intended to convert separated rare earth oxides (REOs) into metal products suitable for direct supply to magnet manufacturing facilities. This approach is expected to create opportunities for greater value addition within the supply chain while supporting the establishment of strategic, independent rare earth processing capacity outside of China.

During the period, the company recognised an impairment charge of US\$5.9 million in respect of its Saltend Project, reflecting the current status and revised outlook for the project. The company is evaluating alternative locations and development pathways for its downstream processing facilities as part of the company’s broader downstream strategy.

STRATEGIC FINANCING

During the year, Pensana further strengthened the financial foundation of the Longonjo Project and its associated downstream initiatives through discussions on strategic financing and funding arrangements.

The company’s mine-to-magnet strategy is supported by a US\$165 million strategic investment from Cascade together with up to US\$160 million of proposed debt financing from Absa. These arrangements are further supported by political and commercial risk insurance initiatives involving the U.S. EXIM.

While engagement with Cascade and its backers continues, the company has engaged with its major shareholders and entered into detailed financing discussions with a view to bringing the mine through commissioning and into production.

These funding initiatives reflect the growing international recognition of the strategic importance of securing diversified rare earth supply chains and represent a significant endorsement of the Longonjo Project and Pensana’s broader development strategy.

PARTNERSHIPS AND OFFTAKE

Establishing strategic partnerships across the rare earth value chain remained a major focus during the year. Pensana continued to develop a multi-partner offtake framework encompassing activities in mining, separation, metallisation and magnet manufacturing. Key partners include Toyota Tsusho Corporation (Toyota Tsusho) in Japan, ReElement Technologies (ReElement) in the US, and German-based Vacuumschmelze GmbH (VAC) and its US subsidiary, eVAC Magnetics.

These partnerships support the company’s objective of developing a diversified and resilient supply chain to serve global customers across the electric vehicle, renewable energy, defence and advanced manufacturing sectors. They also provide a foundation for future downstream expansion and improved market access across key regions.

OUTLOOK

As Pensana moves forward with the construction phase, the Longonjo Project remains on schedule for its first MREC production in 2028. With construction advancing, procurement substantially committed, downstream engineering underway and strategic offtake partnerships established, the company is well positioned to become a significant supplier of magnet metal feedstocks to global markets.

The board believes the combination of Longonjo’s scale, low-cost development characteristics, significant NdPr and heavy rare earth inventory, and integrated downstream strategy provides a compelling platform for long-term value creation as global demand for critical minerals continues to accelerate.

OPERATIONAL AND FINANCIAL REVIEW

During FY2026, the consolidated total loss amounted to US\$14,055,989 (2025: US\$11,497,912), comprising administration expenses of US\$9,923,564 (2025: US\$7,399,959), impairment of non-financial assets of US\$5,917,836 (2025: US\$nil) and a foreign exchange gain of US\$2,992,372 (2025: US\$4,610,939 loss).

OPERATIONAL REVIEW continued

The increase in total losses for the year of US\$2,558,077 (22%) compared to the prior year primarily consists of the following key variances:

- An impairment charge of US\$5,917,836 (2025: US\$nil) related to historical infrastructure development, study and design costs relating to the Saltend metal separation facility.
- An increase in administration costs of US\$2,523,605 (+34%), largely driven by increased general administration costs principally due to the loss realised with the settlement of creditor balances through shares and higher brokerage and listing costs arising from the increased equity placement activity during the period. The comparative period also benefited from the write-off of certain accruals.
- Offset by a change in foreign exchange gains and losses of US\$7,603,311, moving from a loss of US\$4,610,939 in FY2025 to a gain of US\$2,992,372 in FY2026. These gains and losses arise from the settlement of invoices in currencies other than the functional currencies (US dollar, British pound, Australian dollar, Angolan kwanza), as well as the translation of balances denominated in foreign currencies. The decrease in foreign exchange losses was mainly driven by the weakening of the British pound against the US dollar, which affected the loans and payables in the parent company denominated in British pounds.

The total comprehensive loss for the year amounted to US\$16,995,850 (2025: US\$5,872,510), an increase of 189%. This was mainly driven by higher foreign currency translation losses totalling US\$8,565,263. Foreign currency translation relates to exchange differences arising from the translation of foreign operations.

Net assets for the period ended 30 June 2026 amounted to US\$100,274,180 (2025: US\$50,525,938), consisting mainly of non-current assets capitalised as part of developing the Longonjo Project. The increase in net assets of US\$49,748,242 (98%) compared to the prior year is due to an increase in property, plant and equipment of US\$37,017,847 and an increase in working capital balances (US\$7,392,162), largely driven by higher cash and cash equivalents (+US\$4,836,764). Trade and other receivables increased by US\$3,314,160 mainly due to prepayments made in the capital programme. In addition, loans and borrowings decreased after a portion of the FSDEA loan was converted to equity. These increases were offset by a decrease in intangible assets of US\$4,041,957, mainly due to the impairment of the previously capitalised Saltend site-specific assets.

During the period, cash and cash equivalents increased by US\$4,836,764. A total of US\$54,825,744 was generated from financing activities during the year, mainly from a US\$25,000,000 equity injection by FSDEA into Ozango and a further US\$30,867,021 in proceeds from the issuance of equity securities, net of share issue costs, compared to the prior year where financing proceeds consisted of cash drawn from the FSDEA loan facility totalling US\$4,565,861, net proceeds from the Pensana Plc short-term debt facility of US\$800,000 and share issue proceeds, net of costs, of US\$1,674,782.

The cash raised in financing activities was mainly utilised in operating and investing activities. This included corporate costs incurred to support project development of US\$7,477,849 (2025: US\$4,148,323) and payments towards property, plant and equipment for early construction activities at Longonjo of US\$35,378,524 (2025: US\$5,846,503). Other cash inflows include research and development (R&D) credits received amounting to US\$9,419 (2025: US\$258,402) and grant funding of US\$2,142,887 (2025: US\$770,839).

Going concern

The key risks associated with the group and parent company's ability to continue as a going concern include receipt of funding for the development of Phase 1 of Longonjo along with ongoing operational costs, working capital and the settlement of existing creditors.

The balance sheet position as at 30 June 2026 reflects an improvement compared to prior periods, with a net current liability position of US\$11.3 million compared to US\$29.1 million as at 30 June 2025. The positive movement of US\$17.8 million from the prior year is primarily due to net changes in creditors and debtors of US\$12.9 million, driven by the settlement of long-outstanding creditors and the conversion of US\$7.5 million of the FSDEA bridging loan facility to equity, combined with cash available at year-end of US\$5.6 million. The overall increase in the cash position was mainly a result of equity raises to the value of US\$50 million, including US\$10 million as announced in December 2025, the deployment of US\$25 million equity by FSDEA at Ozango subsidiary level as part of the first tranche of Longonjo equity funding as well as the receipt of US\$15 million in April 2026 under the Cascade investment in Pensana.

Approved funding still to be deployed includes the outstanding US\$150 million from Cascade, of the total US\$165 million investment, alongside the proposed US\$160 million Absa debt funding package (U.S.-EXIM guaranteed), subject to conditions precedent, which would provide for the construction of Phase 1 of the Longonjo Mine, including execution of the recently announced drill programme and HREE recovery facility, early downstream development initiatives and working capital.

As announced on 25 September 2026, while engagement with Cascade and its backers continues, given the delays in receipt of the outstanding US\$150 million funding, the company has engaged with its major shareholders and entered detailed financing discussions with a view to bringing the Longonjo Mine through commissioning and into production. During these ongoing engagements, outstanding detailed construction design activities, high-cost site activities and long-term procurement items have been scaled back until the financing has been finalised. As a consequence, the overall construction schedule is expected to be extended from the previously announced 2028 to late 2028.

The board also notes that additional alternative sources of funding will be required to support the feasibility studies for increased processing capacity at Longonjo, downstream refining opportunities, as well as test work for the development of the Coola Project orebodies in the event that the grant funding is delayed, or the conditions are not met. It is anticipated that the contemplated financing across the group may include further issues of equity, export credit-backed debt financing and/or issuing a green bond.

The directors have prepared a cash flow forecast for the period ending 30 June 2028 to support the going concern assessment, including estimated timing and sources of funds to support ongoing operations and project development.

In assessing the going concern basis of preparation, the directors have also considered the availability of funding and its impact on the progression of Longonjo and downstream expansion. Similarly, the directors have also considered the impact of the ongoing geopolitical landscape, including ongoing global wars, as it relates to availability of funding, costs, marketability of our product and the potential volatility in the debt and equity markets.

The directors consider that there are material uncertainties over going concern as a result of the company's ability to settle the remaining balance outstanding under the FSDEA bridging loan (US\$8.7 million), the deployment of the remaining funds towards the construction of the Longonjo Rare Earth Mine and working capital requirements. Should the deployment of the remaining funds not be received, the group and parent company are dependent on securing additional funding. These circumstances indicate the existence of material uncertainties which may cast significant doubt on the group's and the parent company's ability to continue as a going concern. Therefore, the group and the parent company may be unable to realise their assets and discharge their liabilities in the normal course of business.

The board is of the opinion that these uncertainties are sufficiently mitigated based on the staged conversion of the bridging loan as agreed with FSDEA along with existing funding approvals in place to support construction of the Longonjo Rare Earth Mine. Additionally, if required to maintain liquidity, management could reduce non-critical operating costs and capital spend and manage creditor payments.

The directors have a reasonable expectation that the remaining funds towards the construction of Longonjo will be successfully deployed and the conditions precedent will be met to unlock the debt funding from Absa. Furthermore, the directors have a reasonable expectation that the remaining US\$8.7 million FSDEA loan facility will be converted into equity, and the directors are

confident that additional funding will be secured to meet working capital requirements. Therefore, the directors continue to adopt the going concern basis of accounting in preparing the financial statements of the parent company and the group.

The group and the parent company financial statements do not include the adjustments that would result if the group and the parent company were unable to continue as going concerns.

Refer to note 3 to the financial statements for more details on the going concern statement.

KEY PERFORMANCE INDICATORS

The board considers usual financial key performance indicators (KPIs) as inappropriate for measuring the group's value creation, as the group is in the development stage for the Longonjo Project, and has not generated any revenue. Instead, the board considers the carrying value of the development assets, access to funding and the completion of construction milestones to be the most relevant KPIs at this stage of the group's development. Further details on these have been provided above. In addition, the directors believe that the detailed information in the operational review is the best indicator of the group's progress and performance over the year.

Further details are provided in the chairman's review, the chief executive officer's review and the technical development programme update as highlighted on **page 15**.

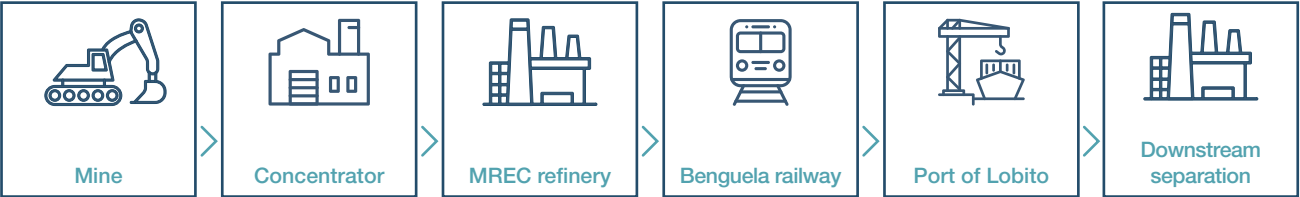
GEOPOLITICAL LANDSCAPE

During the year, the board regularly assessed the impact of ongoing wars, political elections and geopolitical policies on the company and the industry. The board also monitored supply chains, labour availability and future energy supply, while strategically positioning the group to mitigate potential risks arising from these developments.

The geopolitical landscape has shifted significantly during the current financial year, with governments playing a larger role in the market through supportive investment policies. They are deploying state instruments to rewire supply chains, support domestic processing capacity and onshore strategic mineral flows, all of which are benefiting deal dynamics and investment.

There is a growing recognition that any credible decoupling from Chinese critical minerals will require upstream partnerships. Pensana is uniquely positioned to support this transition as the only Western-producing rare earth mine currently under construction, along with the key strategic partnerships it has established to strengthen Western supply chains.

OPERATIONAL REVIEW continued



PENSANA'S STRATEGY

From wind turbines to electric vehicles, bikes and trains to trucks, drones, industrial tools, automation, robotics and air conditioners, the electric motor is the driving force behind a cleaner energy future. As most industries prepare to make the shift to zero-emission solutions, along with the geopolitical focus on securing critical minerals, demand for super-strong permanent magnets essential in these motors and generators is increasing.

Through the staged development of the Longonjo Mine and separation facility projects, Pensana aims to build an independent supply chain of rare earth minerals. With funding secured, the focus of the company over the coming year will be to conclude offtake agreements and advance the construction of Longonjo to secure production and revenue from as early as 2028.

Further development of the downstream separation projects will be executed through strategic partnerships and funding support from external agencies to develop the various expansion opportunities alongside the Longonjo Rare Earth Project. Unlocking these opportunities will allow for synergies and seamless expansion of production output at Longonjo, with further metal beneficiation as a key driver to increase value for the group.

Pensana is of the view that provenance of critical rare earth materials supply, life cycle analysis and greenhouse gas (GHG) Scope 1, Scope 2 and Scope 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 rare earth metal oxides and carbonates of increasing importance to a range of applications central to the energy transition in the industrial, medical, military and communications sectors.

ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

During the current year, Pensana has prioritised its environmental, social and governance (ESG) focus on delivering a responsible project in Longonjo, updates of which are in the section below. During the period, Pensana has continued to ensure policies and procedures remain compliant with relevant requirements to ensure the business meets its risk mitigation and compliance obligations.

Pensana continues to measure progress of its ESG performance by completing external ESG ratings assessments. During the period, the business increased its score in the S&P CSR Corporate Sustainability Assessment and retained the same level of performance on the Ecovadis platform.

Pensana continues to deliver against the ESG strategy outlined in the Pensana Blueprint for Sustainable Rare Earths (the Blueprint)¹ published in FY2022. This sets the company 11 wide-ranging objectives structured into four delivery areas, namely carbon, environmental, social and communities. These targets directly meet the needs of stakeholders and were developed based on the company's non-financial materiality matrix (also available in the Blueprint). The full list of ambitions and targets can be found in the Blueprint and includes an aim for deep and meaningful carbon reduction to be net zero by no later than 2040, to produce the lowest carbon rare earths and to develop infrastructure and skills so that communities local to our sites see a direct, long-term economic benefit from our presence. Specific details on the climate element of the Blueprint are further explained through our Task Force on Climate-related Financial Disclosures (TCFD) declaration on **pages 50 to 63**.

¹ *Pensana Blueprint for Sustainable Rare Earths – https://pensana.co.uk/wp-content/uploads/2022/09/Pensana_Blueprint_for_Sustainable_Rare_Earths.pdf*

LONGONJO MINE

Longonjo stands out from other rare earth projects due to its low capital expenditure development. This is achieved through a combination of low-cost mining of the 'free-dig' high-grade, surface-weathered zone mineralisation in the deposit and the location of the project adjacent to modern infrastructure, which reduces logistics costs. The company's strategy involves adopting a double beneficiation process on-site, allowing it to ship a high-value, low-volume and high-purity mixed rare earth product.

Infrastructure advantages

The Longonjo Project lies just 4km from the sealed national highway and railway line that runs from the Port of Lobito, less than 300km to the west, to the provincial capital of Huambo, 60km to the east. The national grid power transmission line from the 2GW Laúca hydropower scheme in the north of Angola has been operational for the past three years and currently extends to Caala, some 45km east of the project.

The refurbished national highway EN260 connects Angola's second-largest city, Huambo, through the municipality of Longonjo to the Port of Lobito.

The railway extends from the border of the Democratic Republic of the Congo (DRC) and serves the ports of Benguela and Lobito on the Atlantic coast of Angola.

Trafigura, Mota-Engil and Vecturis form the Lobito Atlantic Railway (LAR) consortium that has been awarded a 30-year concession to operate the 1,300km Lobito railway, which runs across Angola to the border of the DRC. To realise its full potential, the partners will invest more than US\$450 million in the railway and associated infrastructure, and secure more than 1,500 wagons and 35 locomotives.

The G7 Partnership for Global Infrastructure and Investment (PGI) prioritises infrastructure projects in developing countries, including a series of investments in the Lobito Corridor to connect the African continent from sea to sea. In October 2023, the PGI signed a memorandum of understanding (MOU) involving the US, Angola, the DRC, the EU, Zambia, the African Development Bank and Africa Finance Corporation (AFC) to develop the corridor, initiating the expansion of a new rail line to Zambia. As part of this alliance, the US International Development Finance Corporation (DFC) approved a US\$250 million investment in February 2024, which was increased in June 2024 through a US\$553 million loan for the development of the LAR.

The China Railway Construction Corporation refurbished the LAR between 2006 and 2014 for US\$1.83 billion, with the project employing approximately 100,000 Angolans.

The Angolan government invested approximately US\$2 billion to refurbish and upgrade the Port of Lobito and associated infrastructure. The rail system connects directly to the dry port, container terminal and mineral terminal at the Port of Lobito. The container terminal is 414m long, the ore terminal has a 310m jetty and the dry dock covers an area of 90,000m².

The new Laúca hydroelectric power plant (HPP) is located in the north of the country, in the middle section of the Kwanza River. The project consists of a main powerhouse with six units and an eco-powerhouse with one unit. The total capacity of the HPP will be 2,070MW, with a head of about 200m. It supplies renewable energy to meet the rapidly growing demand of the capital, Luanda, and feeds into the national grid, which extends south to the city of Huambo and to within 45km of Pensana's Longonjo Project. The Longonjo Project anticipates tapping into this grid as part of the mine development.

Technical development and metallurgical testwork programmes

Activities conducted this year focused on advancing the Longonjo Project from early construction into the main construction phase, along with continued optimisation of the metallurgical flowsheet and the development of the company's downstream separation and metal conversion strategy. Main construction has commenced, with site-wide earthworks largely completed, including the plant terrace. Additionally, the associated geotechnical investigations, drilling and test-piling programmes have been completed. The on-site concrete batch

and aggregate plants have been installed, commissioned and are operational. The first 38 test piles have provided the data required to finalise the full piling design, with subsequent piling batches ordered and approximately 1,600m of piling planned.

The detailed engineering programme, being undertaken by Lycopodium and ProProcess, is progressing well, being 65% complete. The procurement programme is also well advanced, with total project spend of US\$45 million, commitments and payables of US\$37 million, and assigned contracts of US\$56 million, together representing US\$138 million of project expenditure and commitments. This represents a substantial proportion of the overall project capital programme and provides increased confidence in the timing of execution and security of supply for critical project equipment and services.

The manufacture of long-lead process equipment has progressed significantly. The sulphuric acid plant, which is the longest-lead package, is approximately 50% complete and ahead of schedule. The ball mill, the longest-lead process item, has been fully manufactured, while other major equipment packages, including the flash dryer, mixer and calciner, are well advanced in manufacture.

Metallurgical development has continued alongside project execution. The company has commenced optimisation work to recover HREEs from the Longonjo ore to increase the HREOs content in the MREC product and recover dysprosium and terbium. The upgraded circuit is targeting production of more than 122tpa of DyTbO, materially increasing the value potential of the Longonjo product.

Further pilot plant runs to produce MREC for assessment by potential offtake partners continued during the year. Nagrom undertook this work at its facility in Perth.

An expanded drilling programme has been initiated to increase the Longonjo resource inventory and evaluate the potential for further mine-life and production expansion.

Health, safety and the environment

The company continues to prioritise a zero-harm approach to health and safety. The company continues to manage the health risks associated with operating in an area where malaria is prevalent through ongoing awareness programmes, preventative measures and the provision of appropriate mitigation equipment.

Ozango retains environmental licence approval for the Longonjo site and continues to work with the relevant Angolan authorities to ensure that project activities remain compliant with applicable environmental and social requirements. The project continues to operate within the framework established by the approved Environmental and Social Impact Assessment (ESIA), which was originally accepted in FY2022, with an extension to the installation licence approved on 12 March 2026. Ongoing monitoring continues and has been developed during the period through the completion of a biodiversity audit and a compliance audit, both conducted by third parties.

OPERATIONAL REVIEW

continued

Social and communities

The company continues to recognise the importance of maintaining constructive relationships with the communities local to the Longonjo Project and continues to implement its stakeholder engagement plan.

The project has continued to implement its LRP in collaboration with Ozango, the Municipality of Longonjo and affected communities. The LRP is designed to provide a fair and robust compensation and opportunity package for households whose land is economically affected by the project, with a focus on restoring and improving livelihoods through agricultural development and training.

The LRP has commenced delivery with the first agricultural training programmes being rolled out as part of the plan to offer those who are economically displaced (their land has been acquired by Ozango through compulsory acquisition; no housing has been affected) alternative land and a training programme to facilitate an increase in their agricultural potential.

During the year, the project continued to supported households whose land has been economically displaced as a result of the project who have not yet completed their livelihood restoration through a programme of temporary transitional support. Engagement with affected persons, traditional leaders, the local administration and other stakeholders has continued as the remaining elements of the RAP are progressed.

Operational readiness

During the period, the Longonjo Project transitioned from early works into the main construction phase. The project team has focused on maintaining the construction schedule and capital cost envelope while progressing detailed engineering, procurement, construction and operational readiness activities.

The overall Longonjo capital cost envelope of US\$250 million remains applicable. The project is targeting first MREC production in 2028.

- Significant progress has been made in de-risking project execution, including:

 - the substantial completion of the site-wide earthworks and the principal geotechnical investigation programme;
 - the completion of the test-piling programme, providing the information required to finalise the piling design;
 - the commissioning and operation of the on-site concrete batch and aggregate plants;
 - the progression of approximately 70% of the equipment packages through external tendering and pricing;
 - total project spend of US\$45 million, commitments and payables of US\$37 million, and assigned contracts of US\$56 million represent US\$138 million, a substantial proportion of the overall project capital programme, and enhances confidence in the timing of execution and the security of supply chain;
 - the substantial progress in the manufacture of the major long-lead equipment packages;

- the progress ahead of schedule on the sulphuric acid plant, with the ball mill fully manufactured;
- the completion of more than 40% of detailed engineering by Lycopodium and ProProcess;
- the design and modularisation approach for the processing plant, supporting efficient off-site fabrication and site installation;
- the continued development of infrastructure and logistics arrangements associated with the Lobito Corridor, including rail and port services; and
- the commencement of recruitment and operational readiness planning in Angola to support the development of the local operating capability required for commissioning and ramp-up.

Project delivery team

The company's project delivery team has continued to expand and consists of a leading project management team with a track record of delivering projects across Africa, with Lycopodium and ProProcess providing specialist engineering and metallurgical expertise.

Lycopodium, previously ADP Group, has extensive experience in designing, constructing and commissioning metallurgical plants in Africa and is supporting the detailed engineering and modular execution strategy for Longonjo. Lycopodium has designed, built and commissioned metallurgical plants in Angola since 1997, with particular emphasis on a modular approach to optimise regional fabrication, installation and commissioning time. ProProcess is an Africa-centric, vertically integrated hydrometallurgical engineering and modular fabrication company that has served the global mining community for the past 15 years through its specialist capabilities.

The owner's team at Ozango has continued to mature and take on increased responsibility for the overall co-ordination and execution of the project. Its responsibilities now extend across procurement, construction, operational readiness and commissioning, in addition to the electrical, civil, earthworks, camp and water infrastructure activities previously undertaken.

The continued expansion of the owner's team is intended to increase local capacity and ensure that the Angolan subsidiary is appropriately positioned to support the transition from construction to operations.

PARTNERSHIPS AND COLLABORATION

Offtake and strategic positioning

Offtake and strategic partnerships were a key focus during the period as the company progresses with construction at Longonjo and advances its strategy to establish an independent Western mine-to-magnet supply chain serving Japan, the US and the EU.

Pensana has established a multi-partner offtake framework, including key relationships with Toyota Tsusho in Japan, ReElement in the US, and German-based VAC and its US subsidiary, eVAC Magnetics.

In June 2025, the company entered into a non-binding MOU with Toyota Tsusho for the proposed offtake of up to 20,000tpa of MREC from Longonjo over a five-year period.

Building on this, the two companies continue to explore deeper co-operation across the rare earth value chain. Toyota Tsusho intends to utilise its Toyotsu Rare Earths India processing operations to separate Longonjo's MREC into individual REOs for supply to Japanese customers. In addition, the company signed an MOU with ReElement covering the proposed offtake of Longonjo's MREC over a five-year period. The MREC would be processed through ReElement's refining operations in Marion, Indiana, currently under development in the US. The partnership aims to support the establishment of an independent rare earth supply chain serving US and allied defence and commercial industries.

In October 2025, Pensana entered into an MOU with VAC and eVAC Magnetics to develop a US mine-to-magnet supply chain. This proposed arrangement would allow Longonjo's MREC to feed the eVAC Magnetics permanent magnet facility in South Carolina, supporting the production of neodymium-iron-boron (NdFeB) magnets for automotive, wind energy and US defence applications.

Japan has emerged as a particularly significant source of interest. Alongside Toyota Tsusho, the company has engaged with all of Japan's major trading houses, including Hanwa. Hanwa is working with the Japanese government under the Ministry of Economy, Trade and Industry Global South Initiative to support the development of independent rare earth supply chains. Pensana is also engaged with all three of Japan's leading magnet manufacturers and major participants in the Japanese automotive sector.

The company continues to engage with major Japanese trading houses, magnet manufacturers and automotive OEMs in Japan, the EU and the US. These discussions include potential demand for both Phase 1 production of approximately 20,000tpa of MREC and the proposed Phase 2 expansion to approximately 40,000tpa from the fourth year of Longonjo's operations.

These MOUs complement existing agreements covering well over 100% of Phase 1 production, with significant interest already confirmed for Phase 2. Following the period-end, the company held detailed negotiations with several potential major offtake partners. It intends to enter into offtake agreements, when required, to support the proposed debt facilities with Absa and U.S. EXIM. The company intends to work closely with its partners to develop a truly Western-facing supply chain, thereby maximising value for shareholders.

A major potential customer has formally approved the product qualification specifications for Longonjo's MREC, marking an important commercial milestone and confirming the suitability of the company's ultra-clean MREC for downstream separation.

Downstream separation and metal conversion

During the period, the company significantly advanced its downstream strategy, with the objective of establishing a fully integrated rare earth supply chain extending from Longonjo ore through MREC production to separated REOs and metal conversion. Pensana is optimising the process design of its previously engineered separation facility, drawing on the extensive front-end engineering design (FEED) work completed to date. The objective is to deploy this intellectual property (IP) in the most operationally and commercially advantageous location. The optimisation involves re-engineering the facility into modular processing trains, enabling separation capacity to be scaled in line with Longonjo's planned expansion from 20,000tpa to 40,000tpa of MREC.

- The design will also incorporate two additional circuits:

 - A heavy rare earth separation circuit, enabling production of separated neodymium, praseodymium, DyOs and TbOs.
 - A metallisation circuit to convert both light and heavy HREOs into metal for direct supply to magnet manufacturers.

At the mine, optimisation of the heavy rare earth recovery circuit is underway, targeting an increase in DyO and TbO content within the MREC, from approximately 30tpa to more than 122tpa. This would position Longonjo as one of the largest producers of heavy rare earths in the Western world.

The company has also advanced its mine-to-magnet strategy through the award of a grant under the EU's Horizon Europe programme via the PERMANET initiative. The programme aims to support the integration of rare earth separation, metal conversion and ultimately permanent magnet production, with the first integrated output targeted for 2028.

The company's strategy is to develop a Western-facing, vertically integrated supply chain capable of supplying rare earth materials, separated oxides and magnet metals to customers in the Japanese, US and EU markets.

Government and strategic partnerships

During the year, the company continued to work closely with the Angolan government, FSDEA and other strategic partners in support of the Longonjo development. The company also secured technical assistance funding from DFC to support feasibility work relating to the potential doubling of Longonjo's production capacity, downstream refining in Angola and further test work on the Coola Project. The company intends to continue working with its strategic partners to maximise the value of Longonjo and develop an independent supply chain for rare earth materials outside China.

OPERATIONAL REVIEW continued

FUTURE DEVELOPMENTS

The directors aim to maintain a primary focus on the successful delivery and commissioning of the Longonjo Project, with the first production of MREC planned for 2028.

Key priorities for the upcoming period include completing detailed engineering and procurement, progressing the manufacture and delivery of long-lead equipment,

advancing the main construction programme and preparing the project for commissioning and operational ramp-up.

The company will also continue to develop the HREE recovery programme and expand the Longonjo drilling programme, with the objective of increasing the value and resource potential of the project.

In parallel, Pensana intends to advance its downstream strategy, including modular rare earth separation, HREE separation and metal conversion, with the objective of establishing an integrated mine-to-magnet supply chain serving customers in the US, the EU and Japan.

The company will continue to pursue opportunities to expand Longonjo's production from the initial 20,000tpa of MREC towards the proposed Phase 2 capacity of 40,000tpa,

while progressing the Coola Project through the recently agreed farm-in arrangement, under which the farm-in partner will fund US\$2.6 million of exploration expenditure over three years in return for an interest in the project.

The directors remain committed to establishing Pensana as a significant Western supplier of both light and heavy rare earth materials and to creating an independent and integrated rare earth supply chain outside of China.

CORPORATE ACTIVITIES
Equity placings

July 2020 On 1 July 2020, the company issued 16,508,633 fully paid ordinary shares to FSDEA. This issuance represented the remaining shares to be allotted from a total of 25,808,633 fully paid ordinary shares that were part of their second equity placing for a total of US\$5 million.	August 2020 On 11 August 2020, the company announced the conversion of 500,000 zero-cost performance rights into fully paid ordinary shares following its listing on the London Stock Exchange (LSE). On 11 August 2020, the company issued 821,157 fully paid ordinary shares to third-party service providers at a price of AUD0.33 per share, amounting to a total of US\$0.2 million.	September 2020 On 25 September 2020, the company raised an additional US\$8.6 million by placing 13,500,000 new ordinary shares with FSDEA.	January 2021 On 4 January 2021, the company issued 550,000 fully paid ordinary shares, of which 250,000 were related to share options and 300,000 to third-party service providers, at a price of £0.50 per share, totalling US\$0.2 million.	June and July 2021 On 25 June 2021, the company raised circa US\$21.1 million (net of share issuance costs) via the placing of 12,500,000 fully paid ordinary shares to long-term shareholders, FSDEA and chairman, Mr Atherley. On 6 July 2021, a total of 7,108,037 shares relating to share awards were issued to executive management.	January 2022 On 6 January 2022, M&G invested £10.0 million in the company by way of a placement of 12,345,680 new ordinary shares.	August 2022 During August 2022, the company raised US\$10.0 million via the placing of 12,331,334 shares with FSDEA.
January 2023 On 5 January 2023, M&G invested US\$3.8 million in the company by way of a placement of 7,250,000 new ordinary shares.	May and June 2023 During May 2023, M&G invested US\$5.2 million in the company through a placement of 15,000,000 new ordinary shares at a price of £0.275 per share. During May and June 2023, FSDEA invested a total of US\$5.2 million in the company through a placement of a total of 15,000,000 new ordinary shares at a price of £0.275 per share.	April 2024 In April 2024, the company issued shares in the aggregate amount of 3,592,000 to directors as part of the vesting of legacy executive share awards granted in 2019/2020 and senior management for short-term incentives (STIs).	July 2024 In July 2024, the company issued 1,500,000 ordinary shares to the chairman at an effective price of 16.666 pence per ordinary share to serve as repayment of the £250,000 loan proceeds under the directors' loan facility.	February 2025 In February 2025, the company issued 247,500 ordinary shares to Mr Kaplan at an effective price of 23.5 pence per ordinary share to serve as a proportionate repayment to the value of £52,376 under the directors' loan facility. The issue related to the settlement of contractor balances of US\$550,000, which resulted in the issue of 1,850,723 ordinary shares at an effective price of 23.5 pence per ordinary share.	June 2025 In June 2025, the company completed a placement to major institutional shareholder M&G of 2,857,143 ordinary shares at an effective price of 35 pence per ordinary share as part of the £1 million placing. The company issued 1,043,750 shares to directors, senior management and employees relating to shares vested under the FY2024 long-term incentive (LTI) scheme and a further 2,900,000 shares relating to STI share awards to certain other members of senior management and employees.	
July 2025 In July 2025, FSDEA completed a US\$25 million equity subscription through its wholly owned subsidiary, ASF Yova Mining Holding Limited (ASF Yova), for a 16.7% shareholding in Ozango, in addition to FSDEA's existing 10% ownership.	September 2025 The company completed a placement to institutional shareholders for 3,290,476 ordinary shares for US\$1.3 million, inclusive of related broker costs. The company issued 4,824,970 ordinary shares as part of a share-based creditor settlement for long-outstanding UK creditors to the value of US\$7.8 million.		December 2025 The company completed a placement to institutional shareholders for 8,608,750 ordinary shares for US\$9 million (M&G: 6,250,000 shares; Other: 2,358,750 shares).	January 2026 The company completed a partial conversion of the FSDEA US\$15 million loan facility into Plc shares, resulting in the issue of 23,148,148 shares to the value of US\$7.5 million. A short-term lender exercised warrants for a total of 474,356 ordinary shares.	April 2026 The company received US\$15.0 million under the Cascade investment for 13,992,537 shares in Pensana Plc.	

DIRECTORS' SECTION 172 STATEMENT

The long-term strategy of the company is to develop the Longonjo Rare Earth Project in Angola, advance its exploration portfolio and develop downstream opportunities to establish an independent, Western-facing supply chain for rare earth magnet materials.

Following the commencement of main construction at Longonjo, the focus of the company has moved from project development and financing into execution, with the objective of delivering first production in 2028 and establishing Longonjo as a significant source of secure, responsibly produced rare earth materials. The company continues to assess opportunities to extend the value chain from mine to magnet through strategic partnerships and downstream development.

The company has a number of stakeholders and partners, and the board recognises that managing these relationships is critical to the success of the company and that the success of the company should benefit all of its stakeholders. During the current period, activities have centred on advancing construction at Longonjo, securing strategic investment and progressing the development of the project's mine-to-magnet strategy. Main construction commenced in May 2025 and has progressed through the current period, with site infrastructure, earthworks, processing plant areas, tailings facilities and supporting infrastructure being developed. The company remains focused on maintaining the construction programme towards first production in 2028.

During the period, the company also secured significant strategic investment to support the development of Longonjo and its Western-focused mine-to-magnet strategy. The investment, together with other funding initiatives, provides a platform for continued project execution and the development of downstream opportunities. The board continues to evaluate the optimal funding structure for the remaining development requirements and the company's longer-term growth.

Pensana has continued to develop relationships with strategic customers and downstream partners. During the period, the company built on the MOUs signed with Hanwa, Toyota Tsusho

and US-based ReElement for the potential supply and processing of Longonjo's MREC. The company also entered into a co-operation agreement with VAC, while continuing discussions with other magnet producers, OEMs and strategic customers. These relationships support the company's objective of establishing secure, transparent and Western-facing supply chains for rare earth magnet materials.

The company continues to evaluate opportunities to develop downstream processing of Longonjo MREC into separated REOs, metals and ultimately magnet products. The strategy is increasingly focused on opportunities to establish a Western-facing mine-to-magnet supply chain, including through partnerships and investment in downstream processing capacity. The company is also progressing studies supported by DFC in relation to downstream refining opportunities in Angola. The company continues to assess opportunities for downstream development independently and in partnership with strategic investors, customers, magnet manufacturers and other participants in the rare earth supply chain.

The company continues to assess opportunities to increase the value and scale of the Longonjo resource. During the period, an infill and resource expansion drilling programme commenced to investigate the potential to expand the existing Mineral Resource and support the longer-term development of the project. In addition, metallurgical and technical work has identified the potential for a significantly increased recovery of HREEs, particularly dysprosium and terbium, which may provide additional value from the Longonjo resource and strengthen the company's position in the Western rare earth supply chain.

The company continues to assess opportunities to increase the value and scale of its exploration portfolio. At the Coola Exploration Project, the company has entered into a farm-in arrangement under which a strategic partner will fund exploration expenditure to earn an interest in the project. The arrangement is intended to accelerate exploration and evaluation of the Coola carbonatite while reducing the company's near-term funding requirements, with Pensana retaining exposure to the potential long-term value of the project.

The company's relationship with local communities is vital to its social licence to operate. There are two aspects to this: firstly, the company needs to consider and minimise the potential negative or disruptive impacts of construction, mining and processing operations; and secondly, the company needs to communicate and deliver the benefits of the project to the local economy. As part of the development of the ESIA for Longonjo, potential impacts on local communities have been assessed and appropriate mitigation measures established.

This has included the development and implementation of a stakeholder engagement plan covering national and provincial government, local authorities, traditional leaders and communities in the vicinity of the project. Ozango and Pensana have maintained regular dialogue with these stakeholders throughout the development and construction of Longonjo.

As part of the development of the mine and MREC processing plant, the business is required to undertake a programme of economic displacement. The RAP has been developed and filed with the Angolan authorities and the LRP has been developed. Both were prepared independently by reputable third parties, HCV Africa and Development Workshop, the latter being a non-governmental organisation (NGO) specialising in land rights in Huambo province, with specialist agricultural support from Vuna Agri. During the period, the company progressed the implementation of these programmes and continues to support affected households in maintaining food security and accessing opportunities for sustainable economic development. Vuna Agri has been appointed to provide specialist agronomy support in delivering the LRP.

Engagement with the government of Angola remains an important aspect of the company's strategy. Management continues to maintain relationships with the relevant ministries, departments and agencies, including the Angolan Ministry of Mineral Resources, Petroleum, Ministry of Environment and other government stakeholders.

The relationships the company has with its key suppliers and contractors are vital to successful project delivery. These include engineering, construction, mining, mineral processing, laboratory and analytical service providers, as well as local suppliers, advisers and other professional service providers. As Longonjo has moved into its construction phase, the importance of these relationships has increased significantly. The company has sought to maintain constructive and mutually beneficial relationships with its suppliers and contractors, while ensuring that the quality, reliability and cost competitiveness of goods and services are appropriately managed.

The company has taken care in the selection and management of its suppliers and contractors to establish long-term relationships that support safe, timely and cost-effective delivery of the Longonjo Project. The board recognises that maintaining these relationships is particularly important during the construction phase, when the timely procurement and delivery of critical equipment and services are essential to maintaining the project schedule.

The company's workforce remains relatively small compared with established mining and processing operations, but continues to grow as the Longonjo Project progresses through construction towards commissioning and production.

The company continues to rely on its employees, contractors and local workforce and places increasing emphasis on health, safety and wellbeing, training, skills development and maintaining appropriate employment terms. The company also remains committed to developing local employment and skills opportunities associated with the Longonjo Project.

The company is aware of the challenges faced by the extractive industries in maintaining high ethical standards, particularly when operating in developing markets. The board does not regard ethical conduct, responsible business practices and good governance as matters of compliance alone, but as fundamental to the company's ability to develop and operate its assets successfully. The company intends to bring Longonjo into profitable operation while maintaining high standards of integrity, environmental stewardship, social responsibility and governance. These principles are central to the company's relationships with governments, communities, employees, suppliers, customers and investors.

Sustainability remains an important consideration in the development of Longonjo. The project has been designed with consideration of international environmental and social standards, including the International Finance Corporation (IFC) Performance Standards and the Global Industry Standard on Tailings Management (GISTM). The company's access to hydroelectric power, through an agreed Power Purchase Agreement, together with the planned use of renewable energy, also supports its objective of developing a relatively low-carbon rare earth supply chain.

The board recognises that the company's ability to deliver long-term value depends on maintaining constructive relationships across all of its stakeholder groups. These relationships include shareholders and investors, governments and regulators, local communities, employees and contractors, customers and offtake partners, suppliers and service providers, lenders and strategic investors. The board considers these relationships, together with the responsible development of Longonjo and the company's broader resource base, to be fundamental to delivering the company's long-term strategy.

The Pensana board maintains regular engagement with shareholders and seeks to ensure that shareholders are treated fairly and with integrity. The board considers the interests of all stakeholders when making decisions and recognises that sustainable long-term value creation requires the company to balance the interests of its shareholders with those of its employees, communities, governments, customers, suppliers and other stakeholders.

GEOLOGY AND MINERAL RESOURCES

GEOLOGY

The Longonjo carbonatite is located within the north-east-orientated Lucapa Lineament of central Angola, as shown in Figure 1. Longonjo is a Cretaceous-age, sub-circular carbonatite diatreme, approximately 2.5km in diameter, which is intruded into Neoproterozoic granitic rocks. Rare earth elements (REEs), including NdPr mineralisation, are widespread across the carbonatite.

A horseshoe-shaped ring of hills surrounds much of the carbonatite and consists of more resistant potassic and sodic-altered granitic country rocks (fenite) and carbonatite ring dykes. High-level explosion breccias of mixed carbonatite and fenite clasts form the bulk of the carbonatite body, with sub-vertical ring dykes and carbonate plugs cutting and intruding the northern and southern margins of the carbonatite and surrounding fenite.

A simplified geological interpretation of the carbonatite is shown in Figure 2. The fenite ring surrounding the carbonatite proper, as illustrated, also contains additional fenite bands and fenite-dominated breccias. The map in Figure 2 also shows the drilling completed to September 2020, on which the Mineral Resource estimate described in this report is based.

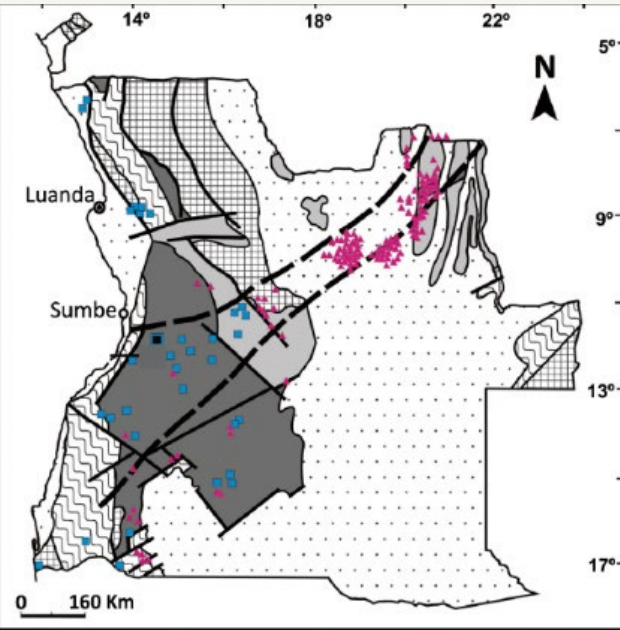


Figure 1: Simplified geological map of Angola showing the Lucapa Belt

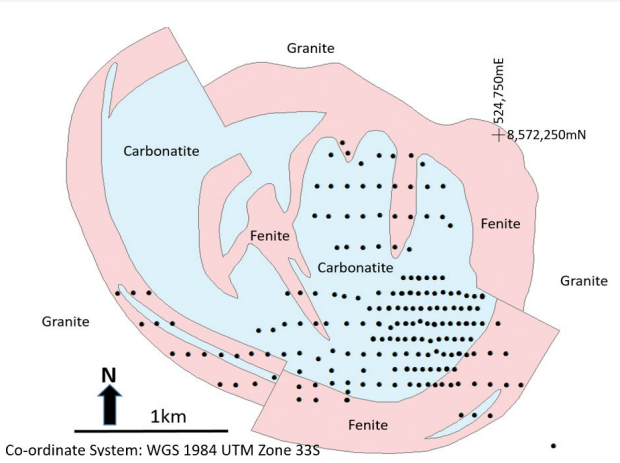


Figure 2: Simplified geological map of Longonjo with all drillhole collars as of September 2020

MINERAL RESOURCES

A 195-hole, 7,987m reverse circulation infill and extension drilling programme completed during 2020 was done in support of the geological studies. The drilling programme confirmed the continuity of high-grade mineralisation in the weathered zone, proved some extensions to the deposit and provided a first test of the fresh rock potential of the project.

The company's initial Mineral Reserve estimate was done by SRK Consulting. On 14 September 2020, the company announced an upgraded Measured, Indicated and Inferred Mineral Resource estimate of 313Mt at 1.43% REO, including 0.32% NdPr* for 4,470,000t of REO, including 990,000t of NdPr summarised in the table below:

* NdPr = neodymium and praseodymium oxide.
REO = total rare earth oxides. A 0.1% NdPr cut is applied.

Longonjo Mineral Resource estimate at 0.1% NdPr cut-off grade

Mineral Resource estimate category	Tonnes (million)	TREO grade (%)	NdPr grade (%)	Contained REO (tonnes)	Contained NdPr (tonnes)
Measured	26	2.58	0.55	660,000	141,000
Indicated	165	1.51	0.33	2,490,000	536,000
Inferred	123	1.08	0.25	1,320,000	313,000
Total	313	1.43	0.32	4,470,000	990,000

REO includes NdPr. Any discrepancies in totals are due to rounding.

MINING ORE RESERVES

The current Ore Reserve statement for the Longonjo NdPr Project, as completed by independent consultants A&B Global Mining Proprietary Limited (ABGM), shows a total of 21.54Mt at 3.04% TREO, including 0.65% NdPr.

Compared to the maiden Ore Reserve report from 2022, this update by ABGM reflects the Phase 1 development of the mine, with an initial ROM throughput of 0.85Mtpa, compared to the 2022 Ore Reserve that was based on a 1.6Mtpa ROM throughput the mine plan. This has resulted in a reduction in Ore Reserves from the maiden declaration while still showing a sufficient life-of-mine (LOM) period of over 20 years and economic viability of the project.

The current mine design and Ore Reserve statement are based on the work conducted by ABGM. The mine design was determined from an optimised pit established with Datamine's NPVS software. Only Measured and Indicated Resources were considered for the Ore Reserve. The cut-off grade is determined on a block-by-block basis, associated with the revenue and cost parameters, typically ranging between 0.2% and 0.3% NdPr. The cut-off grade is variable due to the implication that calcium oxide and barium oxide levels have on process recoveries.

The Longonjo Ore Reserves are classified using the JORC guidelines.

GEOLOGY AND MINERAL RESOURCES continued

The Ore Reserve estimate is summarised in the table below.

Longonjo Proved and Probable Ore Reserve April 2025 reported using a 0.3% NdPr (approximate) cut-off

Classification	Tonnes (million)	TREO grade (%)	NdPr grade (%)	Contained REO (tonnes)	Contained NdPr (tonnes)
Proved	11.69	3.49	0.73	407,981	85,337
Probable	9.84	2.51	0.55	246,984	54,120
Total	21.54	3.04	0.65	654,965	139,457

- Notes:
- Million tonnes are dry and rounded to two decimal places. Grades are rounded to two significant figures.
 - No fixed cut-off is applied to the rare earths NdPr; the cut-off varies between 0.2% NdPr and 0.3% NdPr.
 - The variable NdPr cut-off reflects the block cash flow positive method used to determine the economically viable portion of the resource.
 - NdPr tonnes and grade are inclusive of the TREO and not additional to it.



Coola 2025 drilling

COOLA EXPLORATION PROJECT

The Coola Exploration Project licence is located approximately 160km east of the Port of Lobito in Angola. Pensana, through Coola Mining Lda, in which it holds an effective 90% interest, was granted the Coola exploration licence in May 2020 and has since completed several field exploration programmes.

The licence initially covered an area of 7,456km², which was reduced to 824km² following three years of intensive prospecting.

Systematic phased exploration over the past four years identified two prospective REE-bearing complexes, namely the Sulima West alkaline complex and the Coola carbonatite, located approximately 90km and 40km north of Longonjo, respectively. Exploration and evaluation activities subsequently focused on these two areas.

Ground geophysical surveys completed in 2023 helped to define known areas of mineralisation and identify additional exploration targets. During 2025 and 2026, exploration activities focused on the Coola carbonatite, including drilling of the central sand- and ferricrete-covered diatreme identified as a compelling magnetic target. The target was initially interpreted as having the potential to represent a deeply weathered, supergene-enriched carbonatite system similar to that observed at Longonjo.

In September 2026, Pensana entered into a farm-in agreement in respect of the Coola Exploration Project. Under the agreement, the farm-in partner will fund US\$2.6 million of exploration expenditure over three years, with Pensana's interest reducing to 20% upon completion of the agreed programme. The farm-in provides for continued exploration of the Coola licence while reducing Pensana's near-term exploration funding requirements and preserving its exposure to any future exploration success.

Sulima West

Metallurgical test work on the monazite-rich Sulima West laterite continued during 2025. The objective was to assess physical separation techniques, including gravity and magnetic separation, with a view to producing an REE concentrate exceeding 35% TREO on site that could potentially be transported to the Longonjo processing plant for further processing and extraction of REEs.

Previous test work on a sample grading 8.4% TREO indicated that magnetic separation was more effective than gravity separation in upgrading the TREO content. Further test work was undertaken on a more representative lower-grade bulk sample grading approximately 2.6% TREO.

The results confirmed that magnetic separation was more effective than gravity separation in upgrading the TREO content. To date, however, neither technique has achieved the target concentrate grade of 35% TREO at satisfactory recoveries. Consequently, alternative processing routes are being considered to determine whether the Sulima West mineralisation can be economically upgraded and potentially provide a future feedstock opportunity for the Longonjo operation.

Coola carbonatite

The Coola carbonatite ring dyke is composed predominantly of dolomite and ankerite, with minor gangue minerals including iron oxides, barite and quartz. The principal REE mineral is bastnaesite, with minor monazite and florencite. A representative sample grading 3.98% TREO was subjected to extensive metallurgical test work.

Test work, including magnetic separation, enhanced gravity separation and flotation, indicated that the material is not amenable to conventional beneficiation techniques. Mineralogical analysis demonstrated that the REE minerals are disseminated and largely locked within the dolomite matrix, limiting the potential for physical upgrading and recovery.

During 2025 and 2026, exploration focused on the central sand- and ferricrete-covered diatreme identified through ground geophysical surveys as a compelling magnetic target. Seven reverse circulation boreholes were completed to investigate the potential for a deeply weathered and supergene-enriched carbonatite system.

The drilling intersected shallow transported sands and alluvium overlying nodular ferricrete. Beneath the ferricrete, a serpentinised dunite pipe was encountered intruding the carbonatitic breccias. TREO grades within the dunite were low, at less than 1,000 parts per million.

The drilling programme concluded that the central diatreme represents a weathered mafic dunite plug with low REE tenor, rather than a supergene-enriched carbonatite system. The diatreme is surrounded by carbonatitic breccias that are only weakly mineralised.

Accordingly, the drilling results did not confirm the previously interpreted potential for the central diatreme to represent a high-grade, supergene-enriched REE feedstock to the Longonjo operation. However, the Tyranna farm-in arrangement provides for continued exploration at the Coola Project, while allowing Pensana to retain exposure to the asset.

PRINCIPAL RISKS AND UNCERTAINTIES

The group is exposed to several risks and uncertainties that could have a material impact on its performance and long-term viability. The effective identification, management and mitigation of these risks and uncertainties are core focus areas of the group, as they are key to achieving the company’s strategy and objectives.

Central to Pensana’s approach to risk management is having the right board and senior management team in place, with members combining extensive experience across the specialist fields of rare earth mining, sales, sustainability, health, safety and the environment, human resources (HR), skills development, diversity and transformation, finance, corporate governance, community liaison and risk management, as well as in-depth knowledge of the local operating conditions in Angola and the UK and the regulatory environments of all the countries in which Pensana operates or has a corporate presence.

The board, supported by the audit and risk committee, oversees overall risk management. The executive committee is responsible for risk management processes and systems and drives a culture of individual employee accountability in implementing these.

PRINCIPAL RISKS

A summary of the risks identified as the group’s principal external, operating and strategic risks (in no order of priority) is listed below.

Risk	Risk appetite	Risk rating	Change year-on-year	Nature of risk and management of risk
External risks				
Commodity price	Medium	High	↔	If the group is able to develop the Longonjo and separation facility projects and/or the Coola Project for production, and the market price of REO decreases significantly over an extended period, the ability of the group to attract finance and ultimately generate profits could be adversely affected. Managing the risk The development phase of the projects has included a significant focus on future market supply and demand fundamentals, including price forecasts supported by independent research reports, all of which continue to support the decision to continue the development of the projects. Once operational, the group will primarily look to focus on managing its underlying production costs to mitigate the impact of price volatility. If appropriate, the group may also consider entering into binding offtake agreements with the goal of securing future revenue streams. To date, the group has not entered into any such contracts. During the year, engagements continued with several potential strategic partners with a view to securing binding offtake agreements in due course, alongside the non-exclusive and non-binding MOUs already entered into. These arrangements could include floor pricing arrangements to de-risk the exposure to price fluctuations.
Demand	Medium	Low	↔	The risk that forecast product demand may be lower than expected. Managing the risk The group actively monitors market demand, customer needs and potential new entrants to the rare earth industry. Engagement with potential offtake partners during the period has highlighted increasing demand for the company’s product, while demand/supply fundamentals remain positive for the group’s planned production.
Foreign exchange	Medium	Medium	↔	The group operates across multiple jurisdictions and is exposed to several currencies outside of its reporting currency, including the Angolan kwanza, Australian dollar, Euro and British pound. Managing the risk To date, the group has raised finance in US dollars and British pounds to align with input costs in the various jurisdictions in which it operates. On completion of the main financing, consideration will be given to further foreign currency hedging.
Market supply concentration	Medium	High	↔	Currently, China is the dominant producer of the world’s rare earth magnets. China could manipulate market prices of REOs to control the number of new entrants into the market. Managing the risk The group may consider entering into offtake agreements with the goal of preserving future revenue streams. The group has entered into strategic partnerships and MOUs with offtake customers and, during the year, sought to further strengthen these relationships with strategic OEMs through the provision of product test samples and the outlining of production profiles in preparation for main financing and construction.

PRINCIPAL RISKS AND UNCERTAINTIES continued

PRINCIPAL RISKS continued

Risk	Risk appetite	Risk rating	Change year-on-year	Nature of risk and management of risk
External risks continued				
Country and political	Medium	Medium		There are substantial risks associated with investments in emerging markets, such as Angola, where civil unrest, nationalist movements, political violence and economic crises are possible. Any changes in the political, fiscal and legal systems or conditions, or civil unrest in these countries, may affect the ownership or operation of the group's interests, in particular, the Longonjo Project, and could have a material adverse effect on the group's business, financial condition, results of operations and prospects.
				Managing the risk This is deemed a medium risk due to Angola's recent strong economic performance and the Angolan government's and FSDEA's (the group's largest shareholder) support and backing of the Longonjo Project. The group continues to maintain strong local and national government relations in Angola and to ensure rigorous compliance with local regulations. The group will continue to engage with Angolan banks and regulatory bodies on a regular basis.
Operating risks				
Attracting skilled employees	Low	Medium		The group's ability to compete in the natural resources and specialist rare earth chemical processing sectors depends upon its ability to retain and attract highly qualified management and personnel in the geological and technical fields. The loss of key management and technical personnel could delay the development of the Longonjo Project, exploration at the Longonjo Project and the Coola Project and the development and commissioning of a separation facility, thereby negatively impacting the group's ability to compete in the resources and chemical processing sectors. In addition, the group will need to recruit key personnel to develop its business as and when it moves to construction and ultimately the operation of a mine, each of which requires additional skills.
				Managing the risk The board seeks to incentivise and retain key employees through an appropriate blend of short-term and long-term incentivisation packages and share schemes that are appropriately aligned with the environment and conditions in which key management operates. A project development team has been established for the construction phase and key operating personnel are being recruited to ensure a smooth transition from construction and commissioning to sustainable operations.

Risk	Risk appetite	Risk rating	Change year-on-year	Nature of risk and management of risk
Operating risks continued				
Development of the Longonjo and separation facility projects	Low	Medium		The group's operations are at an early stage of construction development and future success will depend on the group's ability to manage the Longonjo and separation facility projects (the projects) and the production of NdPr-rich mixed rare earth product at Longonjo for offtake to the separation facility processing plant and further processing into a REO. In particular, the group's success is dependent upon the directors' ability to develop the projects by commencing and maintaining production at the sites. Development of the projects could be delayed or could experience interruptions or increased costs as a result of supply chain or inflationary pressures or may not be completed at all due to a number of factors, including but not limited to: - the group's ability to raise finance for the development of the projects; - changes in the regulatory environment; - non-performance by third-party contractors; - inability to attract, train (as required) and retain a sufficient number of workers; - changes in environmental compliance requirements; - unfavourable weather conditions or catastrophic events; - unforeseen escalation in anticipated costs of development, delays in construction or adverse currency movements resulting in insufficient funds being available to complete planned development; - increases in extraction costs, including energy, material and labour costs; - lack of availability of mining equipment and other exploration services; and - shortages or delays in obtaining critical mining and processing equipment. There can therefore be no assurance that the group will complete the various stages of development necessary to begin generating revenue from the projects, and any of these factors may have a material adverse effect on the group's business, results of operations and activities, financial condition and prospects.
				Managing the risk Through the engagement of independent industry experts in the geological, metallurgical, engineering, financial and environmental fields, as appropriate, alongside the in-house skill set with significant mine development experience, the board seeks to mitigate the project development risk upfront through systematically addressing perceived risks. Funding models have incorporated contingencies for project development and logistical delays, as well as the prevailing high-inflation environment. The group has recruited an owner's team to ensure active contract management and to enforce any penalty clauses for project delays due to contractor delays.

PRINCIPAL RISKS AND UNCERTAINTIES continued

PRINCIPAL RISKS continued

Risk	Risk appetite	Risk rating	Change year-on-year	Nature of risk and management of risk
Operating risks continued				
Health and safety	Low	Low	↔	The nature of the business involves activities and exposure to diseases which, without appropriate management, could lead to serious injuries or death.
				Managing the risk The board and senior management actively manage health and safety with a robust management system extending to the operational level. Training, development and controls are applied as required, with oversight from a team of experienced professionals.
Logistics challenges and delays	Medium	Medium	↔	Global supply chain challenges could result in logistical risks for equipment and materials, both during the project development and operational phases.
				Managing the risk Management has implemented contingency plans in respect of potential logistics risks for equipment and materials. This may include the bulk movement of consumables by road. The engineering team also focuses extensively on modularisation opportunities for several aspects of the plant and associated infrastructure to facilitate transportation and construction. The group continues to work with Angolan government entities to ensure that key logistics and infrastructure networks are in place for Longonjo. In addition, the group continues to support projects for renewable energy supply to Longonjo and the separation facility, while also exploring independent options for Pensana.



Risk	Risk appetite	Risk rating	Change year-on-year	Nature of risk and management of risk
Strategic risks				
Financing	Low	High	↔	The group is in the pre-production phase and therefore has no revenues from operations currently. There is a risk that funding may not be available and/or that the cost of financing may be higher than expected. The group acknowledges that immediate funding may be necessary to settle the remaining balance of the FSDEA bridging loan (US\$8.7 million) and to continue the construction of the Longonjo Rare Earth Mine, which is currently underway. The board believes that these uncertainties are sufficiently mitigated due to the staged conversion of the bridging loan into equity as agreed with FSDEA, along with existing funding approvals in place to support the mine's construction. It is anticipated that the planned financing across the group may include further equity issues, export credit-backed debt financing or the issuance of a bond. Refer to note 3 to the financial statements for disclosure on going concern.
				Managing the risk The board continuously monitors the liquidity position of the group and benchmarks key targeted milestones against funding requirements to ensure adequate resources will be available. Furthermore, management and the board engage continuously with potential financiers, investors, sovereign wealth funds and lenders across the US, UK, the EU and Africa, thereby keeping them abreast of project developments and the timing of potential fundraising. During the current year, the company concluded a US\$165 million investment, of which US\$15 million was received to date alongside the deployment of the first tranche of the US\$25 million equity from FSDEA. The remaining US\$150 million will be deployed alongside the contemplated debt facility, subject to conditions precedent, as part of the construction of Longonjo Phase 1. Future funding of downstream projects may include the issuance of a bond which, together with further issues of equity and debt financing, is expected to raise sufficient funding for the ongoing development of both the Longonjo and separation facility projects. As announced on 25 September 2026, while engagement with the investors and its backers continues, given the delays in receipt of the outstanding US\$150 million funding, the company has engaged with its major shareholders and entered detailed financing discussions with a view to bringing the Longonjo Mine through commissioning and into production.

PRINCIPAL RISKS AND UNCERTAINTIES continued

PRINCIPAL RISKS continued

Risk	Risk appetite	Risk rating	Change year-on-year	Nature of risk and management of risk
Strategic risks continued				
Licence to operate	Low	High	↑	To the extent that approvals, community consent, licences and permits are not obtained, the group may be curtailed or prohibited from proceeding with the planned exploitation, development and operations of the Longonjo Project. A noted risk to the group is community consent as the Longonjo Project is currently partway through undertaking a delicate RAP, involving economic displacement of agricultural land on which local communities rely for their livelihoods. The increase in risk compared to the prior period is a result of the stage the project is in and not a change in any actual relationships or permitting requirements. Longonjo is currently midway through the displacement and resettlement of subsistence farmers who rely on the land for their livelihoods. Managing the risk The group continuously endeavours to foster strong relations with the relevant governments at both local and national levels and ensures ongoing interaction with key stakeholders, including communities local to its sites (local residents and traditional leadership), alongside ensuring compliance with mandated licensing terms and requirements. Furthermore, the group has built in a holistic approach to its mine development plans at Longonjo to address the key areas of safety, social, environmental and local community obligations and thereby provide opportunities for true long-term sustainability.
Dependence on the Longonjo Project for feedstock and revenue generation	Medium	Medium to low	↔	The group's primary source of feedstock for the separation facility is currently focused on the exploration and development of the Longonjo Project. Therefore, any material adverse development affecting the progress of the Longonjo Project could have a substantial negative effect on the group's business, financial performance, operational results and prospects. Managing the risk Included in the current asset portfolio is the development of a separation facility, which will have capacity to process third-party feedstock and, as a result, produce revenues independent of Longonjo, if required. The group is currently in discussions with various third-party feedstock providers to reduce or supplement the Longonjo feedstock. In addition, the group is actively progressing the Coola Exploration Project, with recent encouraging metallurgical samples highlighting a strong potential additional feedstock source for the group.

Risk	Risk appetite	Risk rating	Change year-on-year	Nature of risk and management of risk
Environmental risks				
Climate change – physical and transitional risks	Medium	Low	↓	The rapid pace of climate change poses a risk for all businesses. Pensana has identified its exposure to climate change as a principal risk over a period exceeding 10 years. This risk encompasses all climate risks to the business. The internally reviewed risks grouped under this principal risk include operational and physical asset risks at the Pensana operational sites; exposure to the upstream supply chain for raw materials that may not adequately adapt to climate-related changes; and the effects of physical climate change on the global availability of raw materials, which may cause shortages, short-term price volatilities and loss of supply routes. Additionally, public climate policies may increase taxation or costs, potentially leaving the business unable to compete on price with China and other new plants. Furthermore, statutory or OEM procurement rules may be implemented that directly restrict trade for materials not meeting climate limits and requirements, thus disqualifying Pensana from trade. Managing the risk The business has ensured that climate change modelling has been incorporated into project development. Additional modelling opportunities have been identified and deployed at relevant stages (refer to the TCFD disclosure for progress in FY2025). This risk has decreased again in FY2026, following a downgrade in FY2025, and is attributed to shifts in global policy addressing climate change and market growth factors that prioritise non-climate change policy-driven changes, especially those driven by market growth in artificial intelligence and robotics. Longonjo's physical risks have been identified and assessed in accordance with IFC Performance Standards, with recommendations from an independent review undertaken as part of the ESIA. Climate experts are currently reviewing physical risks to the Longonjo Project. Refer to the TCFD disclosure on pages 50 to 59 for more details.


Timothy George
Chief executive officer

23 October 2026

CORPORATE GOVERNANCE REPORT

Dear shareholders,

I am pleased to introduce Pensana's governance statement under my tenure as chairman. Pensana is committed to upholding the highest standards of corporate governance and ethical business, underpinned by a strong and effective governance system. This system has been continuously enhanced during the period to support the long-term success of the company. The governance highlights during this period include the following:

BOARD EVOLUTION AND SUCCESSION PLANNING

The Pensana board has the most suitable and appropriate balance of skills and expertise at board level for the company's current and future stages of development. The board as a whole, with its blend of experience and skills in rare earths, mining, exploration, finance, as well as the Angolan and UK operating environments, contains the necessary mix of experience, skills, personal qualities and capabilities to deliver the company's strategy for the benefit of the shareholders over the medium to long term.

The composition of the board is continuously assessed within the context of the size and scale of the company's operations, including the involvement of senior management, to provide them with the appropriate exposure as part of long-term succession planning. Refer to the board of directors on **pages 66 and 67** for a breakdown on the directors' details and their roles in the company.

BOARD STRATEGY, PROCESS AND PERFORMANCE

The board will continue to ensure that sufficient financial and other resources are in place to support the successful implementation of Pensana's strategy.

CULTURE

As the company rapidly evolves and expands, the ongoing evaluation of our company culture is a necessary objective that the board will continue to focus on as one of its key criteria as we look to expand our world-class management team and develop the projects in Angola and beyond. This will include a non-negotiable zero-harm commitment to health and safety and sustainable environmental practices, especially at an operational level at Longonjo, together with a 'can-do' attitude that has seen the company create the opportunity to develop the world's first sustainable magnet metal supply chain to meet the burgeoning demand from electric vehicles, offshore wind turbines, robotics and the like.

DIVERSITY

We remain committed to improving diversity levels throughout the workforce, management team and board. Key hires have been, and will continue to be, targeted in the coming year to ensure our focus on diversity, with Women in STEM (science, technology, engineering and mathematics) initiatives and women in key managerial positions being key focus areas.

STAKEHOLDER ENGAGEMENT AND FEEDBACK

Positive relationships with our stakeholders continue to be essential for the long-term success of our business and we are continuously looking to improve and strengthen our stakeholder engagement processes. Regular engagement with the Angolan government, FSDEA, local and national agencies, local communities and traditional leaders continues and is seen as a key driver to building sustainable, long-term projects that will create wider benefits for all involved.

GOVERNANCE POLICIES

Publicly disclosed policies, as well as the code of conduct, cover the company's approach to group governance, including anti-bribery, corruption and diversity. The company has also put in place a whistle-blowing policy, along with its social and communities policy, both of which are available on the Pensana website. These policies form the basis of the minimum standards expected of Pensana's subsidiaries

GOVERNANCE UPDATES

The company has fully adopted the provisions as set out in the UK's Quoted Companies Alliance (QCA) Corporate Governance Code 2023, which are deemed appropriate to our size and current scale. The development of our governance framework will continue to evolve and strengthen in line with, and in support of, the dynamic growth and development of the company. The company also notes the recent updates to the UK listing regime and categories. Pensana will continue to consider alternative listing categories available to it that may be more appropriate for its size and operations.

Paul Atherley
Executive chairman

23 October 2026

THE BOARD OF DIRECTORS OF
PENSANA IS RESPONSIBLE FOR
ESTABLISHING THE CORPORATE
GOVERNANCE FRAMEWORK
OF THE GROUP.

The company is committed to implementing the best standards of corporate governance appropriate for the company's size and scale.

The company's corporate governance statement has been approved by the board and can be located on the company's website at www.pensana.co.uk/corporate-governance.

This statement outlines the main corporate governance practices in place for the period ended 30 June 2026, which comply with the application of the corporate governance principles as set out in the QCA Corporate Governance Code, unless otherwise stated.

INTRODUCTION

The company has adopted systems of control and accountability as the foundation for its corporate governance framework.

Additional information about the company's corporate governance policies and practices is set out on the company's website at www.pensana.co.uk, including the:

- code of conduct;
- securities trading policy;
- health and safety policy;
- environment policy;
- shareholder communications and continuous disclosure strategy;
- risk management policy;
- board charter;
- diversity policy;
- social and communities policy;
- whistle-blowing policy;
- modern slavery statement; and
- principles for sustainable procurement.

QCA CORPORATE GOVERNANCE CODE (2023) PRINCIPLES AND RECOMMENDATIONS

The company hereby discloses how the provisions of the QCA Corporate Governance Code have been followed during the financial year.

Principle 1	Application	Disclosure
Establish a purpose, strategy and business model that promote long-term value for shareholders	The board must be able to express a shared view of the company's purpose, business model and strategy.	The company's annual report, as read with the annual financial statements, sets out the company's purpose, business model and strategy, including how the company intends to deliver shareholder value in the medium to long term. In summary, Pensana intends to build the world's first sustainable magnet metal supply chain to meet the burgeoning demand from electric vehicles, offshore wind turbines and robotics. In this regard, Pensana aims to construct a mine and a refinery in Angola (Longonjo) producing ethically sourced rare earths and also to establish a rare earth separation facility. Key challenges include construction and financing risks in relation to both Longonjo and a separation facility. During the current year, following the approval of funding, the group has started main construction at Longonjo, being the first building block in the staged development of the company's assets. Alongside the progress of the Longonjo Project, the company will continue to explore the development of the Coola exploration property and downstream processing at a separation facility. The timing around the development of these assets is largely dependent on strategic planning that aligns with the relevant financing frameworks being secured and ongoing support from the relevant governments and development agencies.
Principle 2	Application	Disclosure
Promote a corporate culture that is based on ethical values and behaviours	The board should embody and promote a corporate culture that is based on sound ethical values and behaviours and use it as an asset and a source of competitive advantage.	The board is committed to fostering a corporate culture grounded in the highest ethical values, which should be upheld by every director and employee through sound ethical behaviour. The board ensures that ethical corporate values guide the company's objectives and strategy. The company has a code of conduct that sets out the principles and standards to which the board, management and employees are encouraged to adhere when dealing with each other, shareholders and the broader community. The board endeavours to ensure that the company's commitment to a sound ethical corporate culture is evident throughout the disclosures in its annual report, website and any other statements issued by the company. The company has developed principles for sustainable procurement. These principles reference the code of conduct and require compliance on matters such as avoiding discrimination, bribery and corruption, and promoting ethical practices and transparency with all suppliers.

Principle 3	Application	Disclosure
Seek to understand and meet shareholder needs and expectations	Directors must develop a good understanding of the needs and expectations of all elements of the company's shareholder base.	The board ensures that shareholders are informed of all major developments affecting the company through the investor relations section of the company's website and by releasing regular media and Regulatory News Service announcements, all of which are also accessible via the website. Additional information available to shareholders on the company's website includes: • information briefings to media and analysts; • electronic dispatches; • notices of all shareholder meetings, explanatory notes and documentation; and • annual and interim reports. The company encourages shareholders to attend all general meetings, roadshows or investor briefings. Shareholders are also able to email or contact the company with any queries they may have.
Principle 4	Application	Disclosure
Take into account wider stakeholder and social and environmental responsibilities, and their implications for long-term success	The board needs to identify the company's stakeholders and understand their needs, interests and expectations. Where matters that relate to the company's impact on society, the communities within which it operates or the environment have the potential to affect the company's ability to deliver shareholder value over the medium to long term, then those matters must be integrated into the company's strategy and business model. Feedback is an essential part of all control mechanisms. Systems need to be in place to solicit, consider and act on feedback from all stakeholder groups.	The board has identified all material stakeholder groups in its areas of operation by using a double materiality approach and through risk identification and mitigation workshops conducted by senior management, which are reported to the board. Management has established forums and mechanisms to communicate with stakeholders and obtain their feedback. Senior management regularly communicates with key shareholders through shareholder meetings and engages with senior representatives of stakeholders. The ESG board sub-committee monitors key stakeholder engagement for the company to ensure that it fulfils its environmental and social responsibilities, as identified by management and the board. The company retains relationships with relevant stakeholders, including the Angolan Sovereign Wealth Fund, the Angolan National Mineral Resources Agency, the Ministry of Mineral Resources, Petroleum and Gas (MIREMPET), the Ministry of Environment (MINAMB), local communities, universities, schools, national elected officials, local officials, marketing bodies, wildlife and environmental bodies and charities. It engages with each group with a focus on fostering two-way communication. In Angola, the Pensana CEO, Ozango president and country manager are responsible for ensuring stakeholder feedback is heard and, where relevant, acted upon. Examples include community support packages for those affected by economic land displacement as part of the Longonjo Project and additional data-gathering exercises related to planning consent for a separation facility. With specific reference to the Longonjo Project, the company has created a community advisory committee attended by local community members, traditional leaders, government officials and representatives from Ozango to address local concerns related to the project, while the company operates formal grievance and whistle-blowing processes.

QCA CORPORATE GOVERNANCE CODE (2018) PRINCIPLES AND RECOMMENDATIONS continued

Principle 5	Application	Disclosure
Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation	The board needs to ensure that the company's risk management framework identifies and addresses all relevant risks in order to execute and deliver strategy. Companies need to consider their extended business, including the company's supply chain, from key suppliers to the end customer. Setting strategy includes determining the extent of exposure to identified risks that the company is able to bear, taking into account its risk tolerance and risk appetite.	The board is responsible for overseeing the group's risk management and control framework. Responsibility for control and risk management is delegated to the appropriate level of management within the company, with the CEO ultimately accountable to the board for the risk management and control framework. The primary objectives of the company's risk management system are to ensure that all major sources of opportunities and threats to the company (both existing and potential) are identified, analysed and treated appropriately; business decisions throughout the company appropriately balance the risk and reward trade-off; regulatory compliance and integrity in reporting is achieved; and senior management, the board and investors understand the company's risk profile. In line with these objectives, the risk management system covers: • operations; • financial reporting; • compliance/regulations; • health, safety, climate and the environment; • system/information technology process; and • the degree of risk tolerance and risk appetite in respect of each identified risk. The key risks identified are disclosed annually in the company's annual report. The board has appointed an audit and risk committee, chaired by a senior independent non-executive director. One of the committee's functions is to serve as a forum for discussion of internal control issues and to assist the board in reviewing the effectiveness of the group's internal control and risk management systems and processes.

Principle 6	Application	Disclosure
Establish and maintain the board as a well-functioning, balanced team led by the chair	The board members have a collective responsibility and legal obligation to promote the interests of the company and are collectively responsible for defining corporate governance arrangements.	The board is currently chaired by an executive director and comprises a balance of independent non-executive directors and executive directors, details of whom are disclosed on the company's website and in the annual report. The chairman, in his capacity as executive director, is supported by senior independent directors to increase leadership accountability. Non-executive directors are expected to allocate sufficient time to fully engage with the activities of the board and its relevant committees. This includes preparing for meetings, reviewing relevant documents, attending the meetings themselves, and subsequent follow-ups. Executive directors are required to allocate sufficient time to discharge their duties in executive office. The board has established the following committees, each chaired by an independent non-executive director: • Audit and risk committee; • Remuneration and nomination committee; and • ESG committee. Refer to pages 66 and 67 for the board of directors and directors' details. Refer to page 88 for the number of board and committee meetings attended by each director.

Principle 7	Application	Disclosure
Maintain appropriate governance structures and ensure that individually and collectively the directors have the necessary up-to-date experience, skills and capabilities	The company should maintain governance structures and processes in line with its corporate culture and appropriate to its size and complexity. The board must have an appropriate balance of sector, financial and public markets skills and experience, as well as an appropriate balance of personal qualities and capabilities. As companies evolve, the mix of skills and experience required on the board will change, and the board composition will need to evolve to reflect this change.	The board believes that its governance structures and processes are suitable for the current size and complexity of the company, and for its present stage of development. The board is committed to ensuring that the governance structures detailed in the annual report will evolve over time in alignment with its objectives, strategy and business model. The chairman leads the board and is primarily responsible for its effective functioning, including: • ensuring, in consultation with the board, good corporate governance and setting clear expectations regarding company culture, values and behaviour; • setting the board's agenda and encouraging all directors to participate fully in the board's activities and decision-making processes; • acting as the ultimate custodian of shareholders' interests; • engaging with shareholders and other governance-related stakeholders, as required; and • meeting with the senior independent director and the non-executive director without the remainder of the executive directors present to encourage open discussions and assess the performance of the executive directors. The CEO is primarily responsible for implementing Pensana's strategy established by the board and for the operational management of the business, including: • leading and providing strategic direction to the company's management team; • managing the company's day-to-day operations; • implementing the decisions of the board and its committees, with the support of the executive committee; • monitoring, reviewing and managing key risks; • ensuring Pensana's assets are adequately safeguarded and maintained; • leading by example in establishing a performance-orientated, inclusive and socially responsible company culture; and • chairing the executive committee and being a member of the ESG committee, thereby having direct involvement in the strategic management of Pensana's ESG matters. The audit and risk committee assists the board in discharging its oversight responsibilities relating to audit and risk matters. The ESG committee supports the board in overseeing ESG-related responsibilities. The remuneration and nomination committee assists the board in overseeing responsibilities relating to remuneration of the company's executive directors, senior executives, management and non-management personnel. This committee comprises both the remuneration and nomination functions. The nomination committee's role is to identify and recommend candidates to fill vacancies and to determine the suitability of director nominees for election to the board.

QCA CORPORATE GOVERNANCE CODE (2018) PRINCIPLES AND RECOMMENDATIONS continued

Principle 7 (continued)	Application	Disclosure
Maintain appropriate governance structures and ensure that individually and collectively the directors have the necessary up-to-date experience, skills and capabilities (continued)	The company should maintain governance structures and processes in line with its corporate culture and appropriate to its size and complexity.	The work undertaken by board committees during the year included the following: Audit and risk committee: Oversaw the external audit process and monitored the implementation of auditor recommendations. The committee also reviewed accounting aspects that require significant judgement as well as ensured independence where required. Remuneration and nomination committee: Reviewed and approved remuneration arrangements and oversaw the issuance of shares in accordance with the company's share incentive scheme. ESG committee: Oversaw the ESG strategy. This included reviewing the effectiveness and appropriateness of policies on Pensana's website; monitoring and evaluating the ESG-related risk and opportunity profile of the business; assessing the effectiveness of the company's approach to ESG delivery, including health, safety and environmental performance and social performance; and overseeing the disclosure of sustainability performance. Board: Oversaw the process of obtaining funding approvals for Longonjo, including the Cascade strategic investment, restructuring of the FSDEA bridging loan, the process to obtain shareholder and other regulatory approvals for the issuance of shares as part of equity raises and employee incentive schemes, and establishing access to various sources of funds to support corporate activities. This included considerations around the subsequent delay in funding and how best the company should position itself.
	The board must have an appropriate balance of sector, financial and public markets skills and experience, as well as an appropriate balance of personal qualities and capabilities. As companies evolve, the mix of skills and experience required on the board will change, and the board composition will need to evolve to reflect this change.	The composition of the board ensures that the combined skills, experience and personal qualities of its members match the requirements of the company's current stage of development. The board is supported by a lead independent director who chairs the audit and risk committee, as well as the remuneration and nomination committee. In addition, a senior independent director chairs the ESG committee and serves on the remuneration and nomination committee. If any director feels that their skills need to be updated in specific areas, refresher training options will be explored and provided as necessary. The company secretary attends all board and committee meetings, offering independent advice to the board and board committees on all governance matters. The profiles of the directors are available on the company's website and are published in the annual report on pages 66 and 67 . Collectively, the board possesses a blend of experience and skills in rare earths, mining, exploration, finance, as well as the Angolan and UK operating environments. This mix of experience, skills, personal qualities and capabilities is essential to deliver the company's strategy for the benefit of the shareholders over the medium to long term.

Principle 8	Application	Disclosure
Evaluate board performance based on clear and relevant objectives, seeking continuous improvement	The board should regularly review the effectiveness of its performance as a unit, as well as that of its committees and the individual directors.	An internal evaluation of the board's composition has been conducted. Recently, the appropriateness and effectiveness of the board's composition have been assessed in relation to the size and scale of the company's operations and activities. The remuneration and nomination committee continuously monitors succession plans for each director and the board. This committee is responsible for reviewing the skills, expertise, composition and balance of the board on an ongoing basis as part of the company's succession planning. When considering new appointments, the committee prepares a brief and engages an independent external search agency to identify potential candidates.
	The board performance review may be carried out internally or, ideally, externally facilitated from time to time.	The committee remains focused on succession planning and regularly reviews the programmes established to develop talent within Pensana. As part of our succession practices, the remuneration and nomination committee will continue to review programmes formulated to integrate talent into leadership and specialist positions. No formal evaluation of board performance was undertaken during the period. The board was restructured in the prior financial year to align more appropriately with its market capitalisation. The board will endeavour to undertake a formal performance evaluation in the coming financial year alongside appropriate board structuring.

QCA CORPORATE GOVERNANCE CODE (2018) PRINCIPLES AND RECOMMENDATIONS continued

Principle 9	Application	Disclosure
Establish a remuneration policy, which is supportive of long-term value creation and the company's purpose, strategy and culture	The remuneration policy should motivate management and promote the long-term growth of shareholder value, and be approved by shareholders on an annual basis.	- The annual report includes a detailed remuneration report, inclusive of the remuneration policy, which sets out performance-related pay targets, performance conditions and levels of remuneration for directors. - Director and company-wide performance incentives are reviewed and approved by the remuneration committee on an annual basis to ensure alignment with the long-term growth and strategy of the company. Details of the policy, remuneration and incentives are disclosed and approved by shareholders on an annual basis.
Principle 10	Application	Disclosure
Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders	A healthy dialogue should exist between the board and all of its stakeholders, including shareholders, to enable all interested parties to come to informed decisions about the company.	The annual report includes details of the key reportable activities of all board committees during the year. An audit and risk committee report is included in the company's annual report on pages 89 to 91. A directors' remuneration report is included in the company's annual report on pages 68 to 83. A principal risks and uncertainties report and a directors' section 172 statement are on pages 26 to 33 and pages 20 and 21, respectively. The results of all voting at shareholders' meetings will be disclosed on the company's website.

The results of shareholder voting at the annual general meeting (AGM) held on 3 December 2025 are summarised in the table below.

Item	Number of votes for	Number of votes against	Number of votes withheld	Number of votes at chairman's or proxy's discretion
Statutory accounts	113,657,397 (100.000%)	200 (0.000%)	88,025 (0.077%)	5,000 (0.004%)
To approve the directors' remuneration report	113,320,231 (99.960%)	47,575 (0.040%)	377,816 (0.333%)	5,000 (0.004%)
To approve the directors' remuneration policy	113,192,820 (99.680%)	365,691 (0.320%)	187,111 (0.165%)	5,000 (0.004%)
To re-elect Mr Robert Kaplan as director	113,167,765 (99.580%)	478,423 (0.420%)	99,434 (0.087%)	5,000 (0.004%)
To reappoint BDO LLP as the auditor	113,630,502 (99.990%)	15,987 (0.010%)	99,133 (0.087%)	5,000 (0.004%)
To authorise the audit and risk committee to determine the remuneration of the auditor	113,608,828 (99.960%)	51,119 (0.040%)	85,675 (0.075%)	5,000 (0.004%)
To authorise the directors to issue new ordinary shares or grant rights to subscribe for or convert securities into ordinary shares	113,229,384 (99.690%)	351,238 (0.310%)	165,000 (0.145%)	5,000 (0.004%)
Disapplication of pre-emptive provisions	113,296,754 (99.700%)	343,630 (0.300%)	105,238 (0.093%)	5,000 (0.004%)
Additional disapplication of pre-emptive provisions, for purposes of financing	113,291,609 (99.690%)	349,630 (0.310%)	104,383 (0.092%)	6,212 (0.005%)
To authorise the purchase of ordinary shares	113,625,571 (99.990%)	10,708 (0.010%)	109,343 (0.096%)	6,212 (0.005%)
That a general meeting other than an AGM may be called on not less than 14 clear days' notice	113,420,482 (99.780%)	250,715 (0.220%)	74,425 (0.065%)	6,212 (0.005%)



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Pensana remains committed to embedding ESG at the core of its strategy and in day-to-day decision-making. The business continues to focus on delivering a best-practice sustainability programme.

Sustainability has been a priority for the business during the period, with a focus on delivering the Longonjo Refinery Project. The business is now midway through an economic RAP and an LRP aimed at creating opportunities for agricultural growth among subsistence farming communities. Further efforts have been centred on continuing to deliver a zero-harm health, safety and environmental programme.

Pensana launched its ambitious Blueprint for Sustainable Rare Earths in FY2022. This document, approved by the board's ESG sub-committee, represents Pensana's detailed ESG strategy and provides a mapped-out plan of how Pensana intends to achieve 11 sustainability ambitions from across the ESG suite over the short, medium and long term. These ambitions include, among others, a commitment to deep and meaningful carbon reduction (achieving net zero no later than 2040), an aim to produce the lowest carbon rare earth products and a plan to protect and enhance nature. Pensana continues to ensure that delivery of each of these 11 ambitions remains core to all its decision-making¹.

Pensana takes its responsibility towards addressing high ESG standards very seriously. To support the development of a sustainable magnet metal supply chain, a full-time sustainability manager has been employed since the early stages of the company's work and serves as a member of the executive committee reporting directly to the CEO. The CEO has responsibility for the delivery of ESG at Pensana and the board oversees ESG and its associated impacts through a mandated board sub-committee chaired by non-executive director Ms Alison Saxby. The sustainability manager, Mr Danny McNeice, also attends these meetings to provide management reports. The committee is responsible for the approval of the company's sustainability strategy and is responsible for the delivery of the Blueprint and was previously involved in the authoring and approval of the Blueprint.

The Blueprint also includes approval of the company's determination of materiality of non-financial issues. This remains valid, after management review, as of FY2026 and will be reviewed in the FY2027 period. The ESG committee retains responsibility for overseeing the effectiveness of the company's performance in all elements of ESG.

Pensana has once again identified its material data points for internal and external reporting and will report against the same metrics first developed in FY2022 and reported on annually since. Management reviewed these metrics for relevance in FY2026 and concluded that the analysis remained valid. Data deemed applicable for external reporting by the company, based on the current levels of operations and materiality, is published on **pages 60 to 63**.

The company remains committed to its membership of the United Nations Global Compact and continues to align with the recommendations of the TCFD. The business further highlights its commitment to aligning its work with other respected standards, especially those relevant to the financing of new infrastructure projects, including the Equator Principles, the IFC Performance Standards and the World Bank Environmental and Social Framework (World Bank Standards). A full list of external standards and commitments is available in the Blueprint.

Progress continues towards developing a sustainable and traceable value chain. Pensana views its ESG responsibilities in the context of its value chain, including opportunities to influence both upstream and downstream activity. It continues to demonstrate this commitment through partnerships with other companies across the value chain, including potential customers, OEMs and suppliers. Pensana continues its engagement with industry and beyond to influence policy and processes internationally, including its sustainability manager serving on the British Standards Institute's rare earth technical committee.

ESG risk identification is incorporated into the company's risk process, with ESG risks embedded within its primary risk matrix, which is reviewed by the audit and risk committee. The general effectiveness of the approach is reviewed by the ESG committee, including the management of health, safety and environmental risks. Risks specific to climate change beyond a period of 10 years, the environment and our social licence to operate are disclosed in the principal risks and uncertainties section on **page 26**.

The company views R&D into ESG issues and opportunities as crucial to its future strategy. Following the conclusion of funded projects in FY2025, Pensana continued in FY2026 to work with academic partners, including the Universities of York, Hull and Leeds, the Natural History Museum in the UK and the José Eduardo dos Santos University in Huambo, Angola.

Pensana continues to sponsor a PhD studentship investigating best practices in community engagement, working with our Longonjo communities, and a project with the Natural History Museum and the University of York exploring nature-based solutions for increasing processing efficiency.

CLIMATE AND CARBON

The extraction and processing of rare earths is crucial to global decarbonisation efforts, as they are an essential component of wind turbines and electric vehicles. These products will displace fossil carbon emissions and are forecast to be in high demand. The International Energy Agency (IEA) has forecast that there could be a sevenfold increase by 2040 in demand for REEs for use in clean energy technologies².

This section provides a progress update for three of Pensana's objectives set out in the Blueprint, namely:

- providing a reliable and sustainable source of separated rare earth metals and compounds, essential to global decarbonisation products;
- producing the rare earth products with the lowest embedded carbon on the market; and
- promoting deep and meaningful carbon reduction across our entire value chain, to achieve net zero no later than 2040.

As part of its commitment to being climate aware, Pensana continues to provide disclosure aligned with the recommendations of the TCFD. The company has now completed five continuous years of disclosure and has disclosed in a measure consistent with the TCFD recommendations.

² <https://pensana.co.uk/sustainability/>

¹ <https://www.ifc.org/en/insights-reports/2012/ifc-performance-standards>.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT continued

To ensure Pensana supports the demand from customers and investors to reduce the impact of climate change, the company instructed Route2, a leading consultancy in quantifying sustainability impacts, to develop a product life cycle carbon emissions analysis aligned with the GHG Protocol Product Life Cycle and Reporting Standard in FY2023. Findings were presented across the business, including to the ESG board sub-committee and C-suite senior management. This work not only quantified the impacts of the engineering and design already completed, but also demonstrated where future material carbon emissions are likely to be in the value chain, allowing a targeted strategic approach to their reduction, particularly through the evolution of partnerships and research.

The project continues to explore further opportunities to embed renewable power into the project and currently imports power from a power station in Longonjo, which includes solar generation.

The company discloses details on its carbon and climate performance through the TCFD disclosure starting on **page 50** and ESG data on **pages 60 to 63**.

PROTECTING THE NATURAL ENVIRONMENT

Ozango, the subsidiary responsible for the operation of the Longonjo site, retains licence approval for the project and has continued to have zero environmental licence breaches since the project's inception. During the period, the environmental installation licence was extended to permit construction to continue.

The company remains committed to embedding protection of the environment within its decision-making and is working towards ISO 14001 certification, while remaining active in ensuring all required environmental licences are obtained and kept up to date, including licences for water abstraction and treatment and waste management, among others.

Pensana is committed to making every effort to protect and enhance the natural environment and included an objective in the Blueprint to "integrate leading practice across our business to protect and enhance the natural environment in and around our operations". This includes biodiversity, where the project will continue to explore opportunities to achieve biodiversity net gain, while strictly following the biodiversity hierarchy. The project continues to develop a tree curtain around the site, aligned with the principles of assisted rewilding, and to explore alternative environmental co-benefits.

While there are no recognised or registered protected areas for biodiversity adjacent to the proposed mining area, Pensana has made a commitment to reduce the area of the mining plan to avoid an area of high-conservation value within the mine lease boundary. This habitat is home to species of conservation concern, including the endemic Angolan Cave Chat (*Xenocopsychus ansorgei*).

Additionally, all staff continue to be trained on ecological challenges, and a select group of employees are trained to deal with any ad hoc wildlife sightings safely and ethically.

Furthermore, environmental management and risk alleviation are high-priority areas throughout the operations. All operations will be compliant with, as a minimum, local environmental legislation, the Equator Principles, the IFC Performance Standards and The World Bank Environmental and Social Framework. Application of high operating standards has included ensuring that the planned construction of the tailings storage facility (TSF) meets the requirements of the GISTM, with a responsible engineer and independent reviewer remaining in post.

During the period, a project commenced to produce an environmental and social bridging report, designed to function as a bridge between the ESIA and the operational environment. This is being undertaken independently by HCV Africa (environmental and social specialists who co-authored the ESIA). This report will provide necessary updates to assessments concerning air quality, visual impact, climate change, hydrology, noise, closure and rehabilitation. During the period, independent external environmental audits were completed by Bio World on both the Longonjo site and on the powerline project, assessing the environmental management and performance.

Project monitoring continues to increase, aligned with the growth of the project. With construction of the TSF underway and the camp now constructed and operational, monitoring of dust, noise and water quality has been enhanced in the period, above and beyond the previous monitoring and environmental programmes, which include monitoring of broader risks to the wider environment and local populations. Ecological monitoring has now been contracted to a specialist ecological company, Forca Motriz, Angolan experts in the field. Its programme includes deep and detailed monitoring of flora and fauna, alongside authorship of training programmes for staff.

A rehabilitation plan has been developed, and requirements under Angolan legislation for rehabilitation have been met. This plan will continuously evolve throughout the LOM and will consider, in addition to safety, the role of the business as a steward of the land and will research optimised rehabilitation plans considering economy, ecology and carbon. An experienced environment co-ordinator remains in post, who will provide expertise to ensure compliance with all environmental licence requirements and build stakeholder relations in-country. Despite the fact that the business has noted it does not operate in a water-stressed area³, Pensana considers its water consumption seriously and as such has designed the Longonjo process to facilitate water recycling within the operational processes, with zero process water discharge (other than evaporative losses) to reduce the demand required from the local water supply.

³ According to the WRI Aqueduct Water Risk Atlas (<https://www.wri.org/aqueduct>), the mine is located in an area of low water stress risk, both currently and through to 2050 under all modelled scenarios.

OUR COLLEAGUES, THEIR SAFETY AND THE COMMUNITIES IN WHICH THEY LIVE

Health and safety

Pensana continues to apply a continuous improvement philosophy to health and safety management systems. Pensana continues to develop, review and update documented processes, performance indicators and reporting procedures to ensure senior management can effectively oversee the health and safety implementation at each of the subsidiaries. The company continues to report health and safety statistics based on the International Council on Mining and Metals (ICMM) Health and Safety Performance Indicators.

Each subsidiary leads and is responsible for its own health and safety performance. The group CEO remains responsible for overseeing health and safety performance across the group, with the group's audit and risk and ESG committees jointly responsible for board oversight. The business continues to work towards ISO 45001 certification for its operating subsidiaries, with Ozango developing a timetable to achieve the certification.

All staff are encouraged to engage in good health and safety procedures through daily briefings and toolbox talks (brief training sessions), site walkabouts and easy-to-access hazard and incident reporting, which can be accessed by all staff and contractors. Ozango has developed practices for monitoring and mitigating risks where they exist in current operations, including the encouragement of hazard identification by staff through a mix of processes, including a hazard observation card system. In FY2026, Ozango maintained its approach to continual development and made further developments in the company's approach to occupational health, action tracking, incident investigation, auditing, worker consultation, specialist work areas and training. Updates were also made to the health and safety induction programme to ensure it remains current and fit for purpose.

Additionally, Pensana is committed to ensuring all contracts and sub-contracts, including those within its subsidiaries relating to security, ensure adherence to the Voluntary Principles on Security and Human Rights, the United Nations Basic Principles on the Use of Force and Firearms by Law Enforcement Officials, the United Nations Code of Conduct for Law Enforcement Officials and the International Code of Conduct on Private Security Providers, ensuring our security practices align with the highest international standards.

During the period, the business has had two recordable injuries. The Longonjo area, in which the project is located, has high malaria prevalence and as such monitoring has begun of non-recordable malaria cases. In FY2026, the business had two recordable disease cases (both malaria) and eight non-recordable cases of malaria among the workforce. The business is cognisant of the malaria risk and regularly runs

training sessions and malaria awareness campaigns. The lost time injury rate for the period has increased to 5.38, as a result of the two aforementioned recordable injury incidents in the 12-month period. The two incidents included one medical treatment incident as a result of a bee sting and the second incident was a trip resulting in lost time.

Pensana has placed the health and safety of our colleagues as a highly material issue to the business and the Blueprint contains an ambition to implement a zero-harm approach to health and safety.

Communities

Pensana takes the social implications of its business impacts seriously and is aware of both the potential challenges and the positive impacts we can have on an area. Pensana continues to make available its social and communities policy, demonstrating our commitment to deliver our strategic objective of delivering a lasting legacy through infrastructure and skills in the communities where we operate. To support this, we are actively creating pathways for local training, employment and entrepreneurship, ensuring communities gain lasting skills and opportunities.

The business continues to adhere to the IFC Performance Standards and the World Bank Environment and Social Framework. This ensures the project is delivered in alignment with international expectations for ESG risk. Ozango has designed a RAP that avoids physical housing displacement and addresses economic displacement (i.e. loss of land) by supporting affected households to secure land-for-land replacement and to transition towards sustainable and resilient livelihoods. Ozango has established a community advisory committee as a permanent platform for dialogue, enabling communities to shape decisions on resettlement, grievance resolution and wider development priorities. Membership of the committee comes from each affected community, which has selected its own representatives, traditional leadership, local administration and respected NGOs.

The project RAP and LRP continue apace. While like-for-like land replacement is a minimum ambition (aligned with the IFC Performance Standards), the project has begun delivery of an agricultural development programme designed to offer opportunities to ensure livelihoods are strengthened beyond pre-resettlement levels. This programme, supported by Vuna Agri (an expert consultancy in supporting roll-out of agronomy in LRPs in Africa), builds long-term capacity by strengthening farming techniques, improving productivity and connecting local farmers to wider markets.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT continued

The compensation package agreed with the local community was settled after a period of multi-way dialogue between the company, the community and other key stakeholders, including provincial government. The package allows for a generous payment of a resettlement allowance alongside structures to support project-affected households to choose their own alternative/replacement land and clear, prepare and plant the land with the support of the project.

During the period, the RAP has moved into its second phase, and as of period-end, a total of 133 plots have signed their final settlement agreements with the project. The LRP has begun delivery; this is a four-module training programme available to all whose land has been affected. The modules are financial literacy training, crop improvement, livestock and veg gardens. The combined approach of these modules both addresses livelihood restoration and provides additional skills to improve agricultural techniques for participants.

As part of the project, stakeholder engagement is vitally important, and maintaining strong relations with communities and other key stakeholders is key to delivering a successful project. In FY2026, an updated stakeholder engagement plan, including national government, provincial government, local authorities, traditional leaders and local communities living in the vicinity of the project, was developed and Ozango is now delivering the requirements of that plan. Through continued engagement, the project continues to build relations and its understanding of the community dynamics and will continue to develop the project in liaison with all key stakeholders. As part of our engagement, a grievance mechanism is in place to empower communities to raise concerns and receive timely solutions, helping to build trust and accountability. In FY2026, all grievances which were raised were dealt with at step 1 in the process, which is resolution between Ozango and the complainant directly. Although it has never been used, step 2 is available and involves the escalation of the grievance to a committee, including key local personnel in the local community. In FY2025, a legal dispute was raised in the local legal system outside of the boundary of the grievance mechanism relating to the compensation package. The case was dismissed and settled in Ozango's favour, however an appeal has been lodged in the Court of Appeal.

To further enshrine Pensana's commitment to the local community, a local procurement policy remains in place which dictates that we investigate local sourcing opportunities where it is feasible to do so.

Human resources

It is the company philosophy that all employees, regardless of whether they are permanently appointed or not, will receive relevant formal and on-the-job vocational training (technical, supervisory and management), as well as health, safety and mine induction training. This will enable them to develop to their full potential and to work safely and efficiently in a culture that is conducive to ongoing learning and development.

Over the period and to date, the project has been successful in developing internal candidates to a point where they have been selected for internal promotion. As the headcount increases, the necessary structures to encourage internal promotion will be further developed and embedded in the day-to-day company culture. Successes in the period include internal promotions such as that as Mr Daniel Comboio to the role of Acting Country Manager.

Ozango delivers a training and development programme primarily through the delivery of on-site mentoring and on-the-job learning. This is designed to ensure that where we need to utilise expatriate labour (i.e. where skills may not currently exist in Angola), it can be on a fixed-term basis with succession planning for Angolan nationals to take over when contracts expire. The success of these programmes can be seen from the number of internal promotions listed in the previous paragraph.

HR and HR-related policies, procedures and processes are in place and are the basis for our HR practices. Development of these continues, and all documents will be available in both Portuguese and English to ensure that all our employees have a full understanding of the content. This ensures alignment with Angolan law on issues such as overtime and annual leave.

The company notes that Angolan law in these areas is comparable to international norms. Policies updated this period include the HR grievance mechanism and the approach to local recruitment. The company utilises externally benchmarked salary scales and periodically reviews these to ensure that continued market salaries are offered.

Ozango continues to identify employment opportunities for the local community. This includes appointments to roles where it is safe and feasible to do so. Appointments include not only Ozango employees, but also ensure contractors use local labour too.

This all feeds into the objective in the Blueprint of developing infrastructure and skills so that communities local to our sites see a direct, long-term economic benefit from our presence. As with all ambitions, this will be delivered in three phases: construction, optimisation and operations. The key strategic target for the company in the construction phase is to recruit to ensure all roles are filled to enable safe operations, with a focus on providing local employment.

OPERATING AN ETHICAL COMPANY WITH STRONG CORPORATE GOVERNANCE

Pensana continues to develop its already robust approach to ethics and corporate governance. In the reporting year, the company delivered training to colleagues globally on human rights, corruption, bribery and modern slavery, as well as continuing to operate a robust whistle-blowing process available to all colleagues. This is demonstrated within this section, alongside the corporate governance report, which forms part of this annual report. A working group remains in place to continue to develop corporate and operational policies and procedures, especially within the Ozango subsidiary, where there is a section on the weekly HSE call. The corporate governance report can be viewed on **pages 34 to 43**

In this reporting period, Pensana published its fifth modern slavery report in December 2025 (for FY2025), aligned with the requirement under section 54 of the Modern Slavery Act 2015. This demonstrated the company's approach to the issue, including the organisational structure, risk identification, policies, due diligence and the effectiveness of the approach.

Additionally, introduced post-period, modern slavery alongside prevention of child labour and anti-bribery and corruption is covered in a separate training module, delivered as part of the new starter induction and annually to all Ozango employees.

The company takes sustainable procurement seriously and has in place a pre-screening process for suppliers and a sustainable procurement policy, in the form of principles which must be adhered to by all suppliers and contractors to the company. The pre-screening process requires disclosure to Pensana of information across the company's four ESG workstreams, i.e. climate and carbon, protecting the natural environment, operating an ethical business with strong corporate governance, and colleagues and communities. Companies are contractually required to adhere to these requirements, which also include access for audit and reasonable access to data. This process also allows Pensana to operate a due diligence programme with targeted suppliers, and it has already begun to expand due diligence on human rights, as well as bribery and corruption across a wide array of contracts, including those within Angola.

The company remains committed to equality and opportunity in all forms and actively promotes anti-discrimination across all its workplaces. Pensana's data on its gender split can be found on **page 63**. The business recognises that it does not yet fully comply with the Financial Conduct Authority listing rules on diversity and inclusion on company boards. The company has a strong director team with an appropriate skill set, but will continue to work towards compliance as board vacancies arise.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT continued

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Pensana has taken great strides to ensure that addressing climate change, and specifically the requirements of the TCFD, have been embedded in the development of the business. This disclosure represents the company's performance for FY2026 and highlights our developments in the reporting year.

For the purposes of compliance, the ESG committee and senior management believe this disclosure adheres to the requirements of the TCFD, and consider that they have given sufficient information to be consistent with the TCFD framework in the current year.

1. GOVERNANCE

1a Describe the board's oversight of climate-related risks and opportunities

Disclosure

The board has ultimate responsibility for group risks and opportunities. It has an established audit and risk committee to monitor these closely. Climate risks are integrated and therefore reported and managed via the same channels as other risks across the business. For more information on the audit and risk committee, refer to **page 89**.

The board has an ESG committee to have specific and focused oversight of the climate and carbon workstream. It reviews the effectiveness of the company's approach to all ESG areas, including addressing climate risks. The sustainability manager submits a report to each ESG committee meeting with an update on progress against the requirements of the TCFD and highlights areas of relevance to the committee, including progress against targets. Frequency and attendance at ESG committee meetings can be found on **page 88**.

The board has demonstrated the importance of climate, among ESG issues, to the company through the formation of the ESG committee chaired by an ESG specialist, Ms Saxby. Part of the mandate of the ESG committee is to critique and review the company's performance in effectively considering climate-related issues in all elements of decision-making. Both the audit and risk committee and the ESG committee mandate the consideration of climate-related issues in all elements of decision-making.

Currently, the board oversees progress against the targets and goals through a qualitative approach through reports from the sustainability manager, which are received at all ESG committee meetings. The work remains ongoing to develop a monitoring plan for progression against ESG targets. The board continues to oversee progress against the targets and goals through a qualitative approach through reports from the sustainability manager. This is in addition to the annual figures on energy, carbon and water which are published in this report (refer to **pages 60 and 61**).

Progress during FY2026

The board was kept abreast of ESG-specific risk and interest areas of the Longonjo financing project, including progress on the updated physical climate risk assessment, which is contracted as part of the environment and social bridging report (see **page 46**)

The board continues to monitor future risks and opportunities within the climate space, supported by regular reporting to the ESG committee by the company's in-house expertise.

1b Describe management's role in assessing and managing climate-related risks and opportunities

Disclosure

Senior management oversees risk across the company in each of their respective areas, with climate risks being expressly included and escalated as required through operational teams to management. The CEO retains overall responsibility for the performance of the climate mitigation system and thus reporting of such activity to the board and associated sub-committees. The CEO is supported by the sustainability manager, who has technical expertise in the area of climate risk. As climate risks are integrated, where technical support is required, it is provided by internal expertise and, where relevant, external experts are appointed. Climate-related risks are considered on the short-, medium- and long-term horizons.

Climate risks and opportunities are reported integrally with other company risks to the audit and risk committee, with the ESG committee overseeing the effectiveness of the system with respect to climate. Specific risks and risk areas were identified through the company's risk identification process, with support provided by the company's sustainability manager, where required, in assessing risk ratings and if risks should be added to risk registers. The sustainability manager heads up the company-wide climate risk and opportunity identification process and ensures cross-company risks are identified.

Read in conjunction with disclosure 3a (refer to **page 56**).

Progress during FY2026

A company-wide climate risk and opportunity review was completed in FY2022 and risk categories were added to the group risk register directly related to climate. This was reviewed in FY2023, FY2024 and FY2025. In FY2025, an updated physical climate risk assessment was completed for the Longonjo site. This was a high-level risk assessment using the World Bank's Climate Change Knowledge Portal⁴. The output showed that there may be physical risk from climate change to the project. Refer to disclosure 2c on **page 55**. In FY2026, a more detailed physical climate risk modelling exercise was instructed by group management to ensure group and project management and the board can receive current and accurate risk-based information. This is expected for completion in October 2026.

⁴ <https://climateknowledgeportal.worldbank.org/country/angola/climate-data-projections> (accessed October 2024)



2. STRATEGY

2a	Describe the climate-related risks and opportunities the company has identified over the short, medium and long term
	Disclosure Pensana has identified three time horizons for the assessment of climate risk and opportunity, aligned with the company's current development plan. They provide a structure against which risk impact and risk appetite can be assessed. The three horizons are: • Short term – Less than three years, which aligns with our construction and early operations phases; • Medium term – Three to 10 years which aligns with our business optimisation period; and • Long term – Beyond 10 years. Pensana remains on a journey towards fully embedding climate change within its corporate governance framework. More details can be found in the Blueprint on the Pensana website at https://pensana.co.uk/sustainability/. Pensana has identified its core business strategy as a climate-related opportunity. There will be an increase in demand for neodymium permanent magnets driven by sustainable technologies, leaving a significant shortfall if additional supply is not quickly brought on-line. This material will need to be produced sustainably to meet the demands of the market, and Pensana has developed its core strategy to develop a product to address the shortfall in demand from the transition to green technology in a sustainable, low-carbon manner. Additional opportunities within Pensana's own business embraced over the short term include exploration of renewable power and consideration of low-carbon technology and electrification throughout the design process. The company has identified, as part of the integrated risk process, a number of risk areas which align directly or indirectly to climate change. Each risk is then assessed on its own merits and each is assessed separately against all three time horizons. As a result of this process, Pensana has identified the potential of both physical and transitional climate change risks over a period beyond 10 years (long term) as a principal risk to the business (refer to page 33). While identified as risks, the company did not identify the physical or transitional risks in the short and medium term as principal risks to the business. The company's risk assessment process assesses all risks on a matrix that considers likelihood and impact. The likelihood process is adjusted for climate change, with each risk assessed three times, once against each of the three distinct time horizons (short term, medium term and long term). The process for assessing impact has ratings across the following categories: revenue, costs, safety and health; environment; regulatory; public stakeholders and socio-economic. The highest of the risk scoring categories is used to score each risk, with the highest risks identified being reviewed by senior management and, where required, reported to the audit and risk committee. As part of this work, Pensana has undertaken scenario analysis using the IEA's climate scenarios from its World Energy Model and CMIP6 climate pathways to test the resilience of its strategy and risk management processes. These scenarios inform the assessment of physical and transition risks across the identified time horizons and help guide the company's forward-planning activity (refer to disclosure 2c). As the process works by assessing individual risks, examples of the specific risks which contributed to the identification of the physical and transitional climate change risks over 10 years into the future as a principal risk include: Transitional • Public climate policy increases taxation or costs and leaves the business unable to compete on price with China and other new plants, including carbon leakage. • Carbon-intensive value chain activity does not decarbonise and becomes exposed to carbon pricing and taxation regimes thus increasing price (including transportation and supply). • Remaining presence of hard-to-abate GHG emissions in operations affecting 'net zero', carbon costs and corporate reputation. • Statute or OEM procurement rules are developed which restrict trade for material not meeting climate limits and requirements, thus disqualifying Pensana from trade.

2a	Describe the climate-related risks and opportunities the company has identified over the short, medium and long term continued
	Physical • Upstream supply chain not adapted for climate change, from both physical asset risk and availability of resources causing increased availability shortages, short-term price volatilities and loss of supply routes. • Physical climate risk to transportation of material through the value chain either by ship, air, road or rail, including both the transportation phase and associated loading, unloading and storage logistics leading to preferred supply routes becoming unusable, thus creating supply backlogs or the requirement for alternative supply routes and logistics infrastructure. • Water-related physical climate impacts from drought and flooding for operations, power supply and wider community use in Angola creating supply shortages or operational outages One of the major aggravating factors in the assessment of the long-term risk is the lack of reliable data on rare earth production and the lack of reliable and granular data on climate change in Angola. While Pensana has endeavoured to use the most current and relevant information available (refer to disclosure 2c for Updates in FY2026), further information is still needed. To this end, the latest physical climate risk modelling exercise for the Longonjo Rare Earth Refinery has been contracted as a specific workstream to identify relevant data and model developments. Pensana discloses geography and sector-specific risks in a manner integrated within its existing frameworks. Therefore, those risks which reach appropriate thresholds are disclosed via principal risks. The business believes, given its size and current status, this is sufficient to provide information relevant to the recommendation. Progress during FY2026 Pensana continues work focused on developing a robust understanding of the scale of the risk to the company from climate change. In order to gain a more detailed and bespoke understanding of the climate risks to the company, Pensana has in this period continued liaison with potential customers and strategic partners to understand the dynamics of their future demand and the risks they foresee in their supply chains, enabling Pensana to remain abreast of customer-driven future mitigation requirements.



Site earthworks at the tailings storage facility

2. STRATEGY continued

2b	Describe the impact of climate-related risks and opportunities on the company’s business, strategy and financial planning
Disclosure Climate change has had a significant influence on the company. The core strategy and development plan are focused on a market opportunity to sell a product identified as being essential for reaching global net zero i.e. neodymium permanent magnets. The board agreement to the Blueprint demonstrates the core importance of ESG to its strategy, including performance related to the climate and location of resources to ensure this can be delivered. Refer to page 14 on strategy. Pensana has taken a number of decisions to address the risks and opportunities of climate change. This has included resourcing studies into financing and/or sourcing renewable power and optimising electrification and reducing water consumption/increasing water recycling in the company’s planned operations. Pensana’s target to embed deep and meaningful carbon reduction across its value chain, and to be net zero no later than 2040, will be reached through a robust and thorough company-wide approach. Currently, engineering and procurement teams are reviewing opportunities to reduce emissions before construction commences. This includes sourcing renewable power, plant electrification and efficient design for logistics. Going forward, the company will continuously review future reduction opportunities, including those in procurement (for example, reagents) and those downstream (such as a circular economy). Driven by customer demand and the requirement to meet future expected regulations, this carbon reduction strategy has engaged staff and resources, including capital allocation, across the company, involving product development and marketing, sales, R&D and supply chain and sourcing. In addition to external resources, the company has established partnerships with other similarly-minded businesses. For more information on the target and product screening, refer to pages 44 to 49. As a result of customer demand and forthcoming regulations in the areas of carbon and climate, the company has prioritised addressing the associated risks and reviewing opportunities to access the market. As a result of this, it has committed to developing low-carbon products and has invested in R&D, staff resources, project capital and operational costs directly associated with addressing these risks. While climate change models demonstrate a possible change in price, there remains a risk as to the exact pricing. Pensana has considered this and it can be seen as a principal risk (refer to page 33). In terms of wider financial impacts, Pensana has identified climate change over 10 years as a principal risk. Therefore, the company will develop its knowledge in this respect on a pathway aligned to that of the company’s development. The primary short-term driver of activity in this regard and the key driver of the principal risk rating of long-term climate change is to address data gaps in climate knowledge, especially for our Longonjo operations in Angola. Filling these data gaps, alongside the development of detailed process design and development, will further facilitate a greater understanding of wider quantitative financial impacts, including those associated with revenue, procurement spend and future mitigation and adaptation capital expenditure. Pensana has instructed and begun work on a detailed physical climate change risk assessment, including modelling, for the Longonjo site that is estimated for completion in October 2026. (refer to disclosure 2c). At this point, Pensana believes that sufficient data will be available to disclose financial exposure to climate change. Away from deep and meaningful carbon reduction, the wider transitional risks have been considered in the company’s financial planning. Directed by the board, the company has ensured continued resource availability through the employment of a senior sustainability expert who sits on the company’s executive committee and reports directly to the CEO. The company has opted against a detailed transition plan at this point, as the current focus remains on ensuring that the initial design and operational strategy are robust against future scenarios. The company acknowledges that transition plans are important and will switch focus to transition once it develops an understanding of its operational baseline. The company has committed, via the Blueprint, to embedding deep and meaningful carbon reduction, with net zero no later than 2040, into its strategy, which will be overseen by the board.	
Progress during FY2026 Pensana has considered the latest research from the IEA through their “Rare Earth Elements: Pathways to secure and diversified supply chains” published in April 2026 and their Global Critical Minerals Outlook 2026, published in July 2026⁵. This shows that demand for rare earth materials will continue to increase, including in the sectors of electric vehicles and wind, alongside additional forecast growth in other net-zero aligned sectors and has continued to justify the business’ current strategy. 5 https://www.iea.org/reports/global-critical-minerals-outlook-2026	

2c

Describe the resilience of the company’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

Disclosure

Pensana’s strategy to develop a sustainable supply of rare earths was tested against two of the IEA’s climate scenarios from its World Energy Model (2021). Using the model’s Stated Policies Scenario (STEPS) and its sustainable development scenario, the models, respectively, showed a threefold and sevenfold increase in demand for rare earths for clean energy technologies by 2040⁶. The sustainable development scenario represents a well below 2°C scenario and the stated policies scenario is a more conservative benchmark considering actions put in place to achieve benchmarks globally. Under both scenarios, Pensana’s strategy and business plan to supply sustainable rare earths demonstrated robust strength in a sector essential to global net zero moving towards 2040, aligning with Pensana’s long-term time horizon (>10 years) and within the life of the projects. Pensana notes that while the IEA Rare Earths Report (2026)^{7, 8} states that under their STEPS model it is feasible that demand will be met for light rare earth supply, the business notes this supply includes projects which are as yet unfunded, unlicensed and face many challenges before coming to fruition. Furthermore, Pensana acknowledges that this is only one scenario developed by the IEA in their World Energy Model. The company then reviewed third-party evidence in order to model future pricing of the rare earth market in which it will sell its products. Using both climate modelling and price forecast modelling (which incorporates climate change mitigation change in demand), for the LOM, Pensana has tested its potential future revenue models and ensured that its future market and therefore core revenue stream is well placed to take advantage of the future increases in demand from green technology. While climate change models demonstrate a likely increase in price, there remains a risk as to the exact pricing. Pensana has considered this and it can be seen as a principal risk (refer to page 33). As Pensana does not have revenue in excess of a one billion US dollar equivalent, it believes the scenarios analysed are adequate to provide sufficient assurance of business strategy robustness under multiple scenarios. Refer to page 14 on company strategy. An updated physical risk considered high-level trend analysis for the Longonjo site in FY2025. This involved using the World Bank’s Climate Knowledge Portal to review modelled scenarios in the Huambo province in Angola (where the project is located). This tool uses the CMIP6 climate model and the assessment considered two scenarios (SSP1-2.6 and SSP5-8.5). This allowed a new depth in data which the business used to direct a more detailed physical assessment of the climate change risk to the project, by instruction of work on a detailed physical climate change risk assessment, including modelling, for the Longonjo site. ⁶ https://www.iea.org/reports/the-role-of-critical-minerals-in-clean-energy-transitions/executive-summary ⁷ https://www.iea.org/reports/global-critical-minerals-outlook-2026 ⁸ https://www.iea.org/reports/rare-earth-elements	Progress during FY2026 Pensana has stress-tested its core business strategy against climate scenarios developed by the IEA. In FY2026, this was considered using the latest publication entitled, ‘Global Critical Minerals Outlook 2026’ and no material change in demand was observed that would affect business planning. • Instructed and commenced work on a detailed physical climate change risk assessment, including modelling, for the Longonjo site. Estimated for completion October 2026.
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3. RISK MANAGEMENT

3a

Describe the company’s processes for identifying and assessing climate risks

Disclosure

Pensana has identified three time horizons over which it identifies climate risk (refer to **page 52**).

Pensana works on an integrated approach to climate risk. Employees in each business area are expected to include both physical and transitional climate risks within their own assessments. This is supported by technical expertise from the in-house ESG team and, where relevant, by external consultancies. The company encourages all employees to use available data and the ESG team furnishes them with relevant data where required. It has already established data collection methods for water and carbon and can therefore use these growing multi-year databases to monitor local changes due to climate change, and in turn use these to stress test climate models and risk assessments in the future.

Employees are expected to consider the impacts of emerging and existing climate legislation and associated impacts on their own work areas, with additional support, where required, provided by technical expertise from the in-house ESG team and, where relevant, external consultancies. The ESG team, led by the sustainability manager, leads the process of identifying legislation and associated risk at a group level, reporting this through existing channels, including risk, to the board.

Each climate risk is assessed separately for each of these three time horizons to allow management to understand the risks over the different time horizons and direct mitigations and capital as suitable. Each risk is assessed by competent management of the relevant business area and through the ESG team’s climate expertise. Risks are assessed for both consequence and likelihood using a custom risk matrix defined by an external expert in risk frameworks to suit the needs of the project. Climate risks are each assessed three times, once against each of the climate horizons using an internal framework developed by an independent experienced risk analyst. This framework is used across the company in all functional areas to ensure that climate risks are treated on a level parallel to other risks, such as reputation, finance, etc.

For risks assessed as high risk, these are reported to the board and where relevant reported in the company’s principal risk register (refer to **pages 26 to 33**).

Read in conjunction with disclosure 1b (refer to **page 51**).

Progress during FY2026

Continued to collect data on resource availability at the Longonjo Project to improve the quality of any future modelling.

Pensana made comprehensive progress in FY2022 in this area, and the focus in FY2026 was on consolidating and continuously reviewing these developments. The company still considers these current, but continues to identify opportunities for improvement within the system.

For reference, the developments implemented in FY2022 were:

- an amendment to the group risk process to include an adapted rating system for climate risks, aligned with the main system but adjusted to cater for three timescales (<three years; three to 10 years; >10 years); and
- completion of the maiden transitional risk and opportunity assessment.

In FY2026, the company reviewed the transitional risk and opportunity and physical assessments and noted no material changes.

3b

Describe the company’s processes for managing climate-related risks

Disclosure

Climate risk management is integrated into business processes. Risks are overseen by the group audit and risk committee which has overall responsibility for the company’s risk appetite. Risks are managed throughout the company through an escalation process. All business functions have direct responsibility for their own risks, with technical support from the specialist sustainability team where required. Risks that are deemed of sufficient impact or likelihood are escalated to group management (using an internally designed risk matrix that scores all risks as high, medium or low based on likelihood and impact), including C-suite, and from there, risks are escalated to the audit and risk committee. The group ESG committee has an independent role to ensure the effectiveness of the climate risk management process, among ESG risk processes. For group risk management, refer to **pages 26 to 33** and recommendation 2a.

Progress during FY2026

Management instructed and ensured an update of a group-wide climate risk screening, including transitional and physical risks as per the disclosure in the FY2023 TCFD disclosure, with no material changes identified in FY2026. This was stress-tested using the IEA’s Global Critical Minerals Outlook 2026 and the IEA Rare Earth Elements report, published in 2026.

3c

Describe how processes for identifying, assessing and managing climate-related risks are integrated into the company’s overall risk management

Disclosure

Pensana’s approach to climate risk is wholly integrated with its approach to risk with a slight adjustment in the assessment of the risks from climate change. Each climate change risk is separately assessed against each of the short-, medium- and long-term time horizons identified in recommendation 2a.

Refer to **Pages 26 to 33** for the group’s risk management process.

Climate expertise is provided in-house through the sustainability function, with additional support for specialist areas contracted as required.

Progress during FY2026

Management reviewed those risks relevant to climate change as part of the annual risk review process and updated risk and impact ratings where relevant. As a result, the long-term (>10 years) physical and transitional risks remain principal risks to the company.



4. METRICS AND TARGETS

4a	Disclose the metrics used by the company to assess climate-related risks and opportunities in line with its strategy
Disclosure Pensana has identified its material ESG issues as part of the Blueprint and has set a series of challenging ambitions. These are broken down into four workstreams, with climate and carbon identified as one (refer to page 60), and a series of measures and KPIs set to measure progress against its strategy. This includes performance and measurement of company-wide and product-level GHG data (refer to page 61) and water (refer to page 61). Pensana has disclosed data for its operations but as it remains pre-operational, the publishing of historical trends is not yet relevant. Information on the forward-looking modelling and expected pricing can be seen on pages 45 and 46 and the disclosure recommendation 2c. Pensana does not yet directly link climate indicators and performance to remuneration at any level of the company. However, where international standards, such as IFC Performance Standards are required for commercial agreements, clauses specific to climate change will be met. Progress during FY2026 Pensana has ensured the continued evolution of its material non-financial data reporting suite and has again reported relevant KPIs in this report (refer to pages 60 to 63). These metrics are shared externally via the S&P Global Corporate Sustainability Assessment and Ecovadis screening platforms.	
4b	Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions, and the related risks
Disclosure Refer to the ESG data tables starting on page 60. Pensana does not yet disclose Scope 3 data as it is not feasible to do so given the company's stage of development. The company is working towards Scope 3 disclosure. As disclosed in recommendation 2a (refer to page 52), Pensana has identified the long-term transitional risk from carbon emissions as part of its principal risk profile and has identified a low appetite for this risk. Refer to page 33 for more information on transitional risks specific to carbon. Progress during FY2026 In FY2022, the company completed a product-level GHG screening. This was reviewed, alongside other ESG risks, on a socio-economic impact basis, as part of the Innovate UK-funded research project in FY2025 (refer to the 2025 annual report). The company continues to disclose actual Scope 1 and Scope 2 emissions on an annual basis and now discloses the last three years of data to allow monitoring of trends.	

4c	Describe the targets used by the company to manage climate-related risks and opportunities and performance against targets
Disclosure Pensana has committed to developing a sustainable supply chain for rare earths. Through the publication of the Pensana Blueprint for Sustainable Rare Earths, Pensana has committed to a series of strategic ambitions and targets relating to climate. These include: • providing a reliable and sustainable source of separated rare earth metals and compounds, essential for global decarbonisation products; • producing the rare earth products with the lowest embedded carbon on the market; • promoting deep and meaningful carbon reduction across our entire value chain, to be net zero no later than 2040; and • integrating leading practice across our business to protect and enhance the natural environment in and around our operations (which includes water and biodiversity within its scope). The company's current focus on working towards targets, including net zero no later than 2040, is a qualitative approach to deep and meaningful carbon reduction i.e. engineering and design are being empowered to reduce emissions where financially and technically feasible. For example, this has heavily included electrification of carbon-intensive plant items. The business currently believes the actions being taken are appropriate for the stage of development it is currently at. While no quantitative or interim targets were approved and monitored in FY2025, management and the board will review interim targets and KPIs on a periodic basis and will consider both qualitative and quantitative metrics during reviews once operational. The company's deep and meaningful carbon reduction target has been developed by reviewing the GHG screening exercise completed by Route2, and evaluating net-zero targets across the key supply sectors (wind turbines and electric vehicles) and national-level targets. Pensana acknowledges there are knowledge gaps in the work required to achieve this, but has invested in R&D and in corporate-level partnerships to address these knowledge gaps and work towards identifying solutions. The company has based its carbon calculations for Scope 1, Scope 2 and Scope 3 on the GHG Protocol on a basis of operational control albeit not yet including Scope 3 emissions (refer to page 60). The company envisions it will use the GHG Protocol Product Life Cycle Accounting and Reporting Standard to monitor the ambition to produce the rare earth products with the lowest embedded carbon on the market. Indeed, this standard has already been used for baselining as the GHG product screening was completed using this standard. Pensana will continue to review the effectiveness of this standard against this ambition. Refer to pages 60 to 63 for information on metrics and targets. Progress during FY2026 Pensana continues to monitor progress against the strategic approach published in the Pensana Blueprint for Sustainable Rare Earths. Pensana has continued to develop partnerships and R&D programmes (refer to page 45) to further improve the company's knowledge of future investment and changes needed to reach a net-zero target across the value chain.	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT continued

ESG DATA FOR THE PERIOD ENDED 30 JUNE 2026

Climate and carbon		
Data point	Total ⁵	Methodology
Scope 1 GHG emissions ^{1, 6}	FY2026: 1,536tCO ₂ e FY2025: 286tCO ₂ e FY2024: 125tCO ₂ e	Calculated using the GHG Protocol and based on a boundary of operational control using emissions factors published by the Department for Environment, Food and Rural Affairs in the UK ^{1, 2, 6} . For the purpose of reporting under the Streamlined Energy and Carbon Regulations, 0% of emissions were within the UK ^{4, 5} .
Scope 2 market-based GHG emissions ^{1, 4}	FY2026: 205tCO ₂ e FY2025: 0tCO ₂ e FY2024: 0tCO ₂ e	Calculated using the GHG Protocol and based on a boundary of operational control ¹ . Imported electricity from closed grid, with power generated within Longonjo commune, consisting of diesel and solar power mix. Emissions factor diesel power taken from UNFCCC Tool 33 ⁷ Note that this is based on the emissions mix of the closed grid and the same figure would also represent the scope 2 location-based emissions.
Scope 3 emissions	FY2026: n/a FY2025: n/a FY2024: n/a	The company has not reported Scope 3 emissions as it is not yet feasible with the nature of the project to do so.
Emissions intensity ³	FY2026: 17.5g/US\$ FY2025: 5.7g/US\$ FY2024: 2.5g/US\$	In order to meet the requirements of the Streamlined Energy and Carbon Reporting Regulations, Pensana is required to report an emissions intensity. Due to no revenue or production information being available during the development phase, the metric was calculated using net asset value.

¹ A Corporate Accounting and Reporting Standard – Revised Edition.

² Greenhouse gas reporting: conversion factors 2026 – <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2026>.

³ Carbon Emission Factors and Calorific Values from the UK Greenhouse Gas Inventory (Ricardo Energy & Environment, 2021) to support the UK ETS <https://www.gov.uk/government/publications/using-uk-greenhouse-gas-inventory-data-in-uk-ets-monitoring-and-reporting-the-country-specific-factor-list>

⁴ Indicates data disclosed as required under the Streamlined Energy and Carbon Regulations.

⁵ Pensana currently has no facilities under operational control in the UK. Only corporate office-based functions of our colleagues and not the offices themselves are within the operational control boundary in the UK.

⁶ For the avoidance of doubt, this includes only operations under the direct control of Pensana and its subsidiaries, at the point of action. It therefore does not include contractors, which will be included in later Scope 3 reporting.

⁷ UNFCCC Methodological Tool, Tool 33: https://cdm.unfccc.int/Reference/catalogue/document?doc_id=000004860&utm#_Toc200631329 Accessed on 11th September 2026.

Where no figure is quoted for a prior reporting period, no disclosure was made. This is represented by n/a.

Environment and ecology		
Data point	Total ⁵	Methodology
Permit or compliance breaches (environmental)	FY2026: 0 FY2025: 0 FY2024: 0	Upheld breaches of environmental permits or government-induced conditions such as planning consents against the business.
Energy consumption directly from electricity	FY2026: 320,000kWh FY2025: 787kWh FY2024: 905kWh	Calculated using the GHG Protocol and based on a boundary of operational control. Energy consumption from electricity reported is all in Angola and is a combination of self-generation from on-site solar power and imports on a closed loop from a local municipal power station. Increase is due to the addition of imported electricity to support the increased construction activity.
Energy consumption not from electricity	FY2026: 5,587,143kWh FY2025: 1,047,923kWh FY2024: 458,200kWh	Calculated using the GHG Protocol and based on a boundary of operational control. Consists solely of diesel oil, with the energy factor taken from the 'Carbon Emission Factors and Calorific Values from the UK Greenhouse Gas Inventory (2022)' ¹ .
Total energy consumption	FY2026: 5,907,010kWh FY2025: 1,048,710kWh FY2024: 459,200kWh	Calculated using the GHG Protocol and based on a boundary of operational control ² .
Water import – from groundwater	FY2026: 2,334m ³ FY2025 ⁶ : 7,300m ³ FY2024: 3,600m ³	Water that is being held in, and can be recovered from, an underground formation (as defined by CDP ⁴).
Water import – from fresh surface water	FY2026: 873m ³ FY2025 ⁶ : 0 FY2024: 0	Water that is naturally occurring water on the earth's surface in ice sheets, ice caps, glaciers, icebergs, bogs, ponds, lakes, rivers and streams, and has a low concentration of dissolved solids (less than 10,000mg/l total dissolved solids) (as defined by CDP ⁴).
Water import – from third party	FY2026: 718m ³ FY2025: 0 FY2024: 0	This includes water provided by municipal water suppliers, public or private utilities and wastewater from any other organisation (as defined by CDP ⁴).
Water discharge	FY2026: 1,612m ³ FY2025: n/a FY2024: n/a	The sum of water discharged to surface water, ground water and via third parties (as defined by CDP ⁴)

¹ Carbon Emission Factors and Calorific Values from the UK Greenhouse Gas Inventory (Ricardo Energy & Environment, 2021) to support the UK ETS <https://www.gov.uk/government/publications/using-uk-greenhouse-gas-inventory-data-in-uk-ets-monitoring-and-reporting-the-country-specific-factor-list>

² For the avoidance of doubt, this includes only operations under the direct control of Pensana and its subsidiaries, at the point of action. It therefore does not include contractors, which will be included in later Scope 3 reporting.

³ The superscript ³ is not used to avoid confusion with the symbol ³ indicating cubed, such as in m³.

⁴ Definitions taken from the CDP Water questionnaire (accessed September 2022): <https://www.cdp.net/en/guidance/guidance-for-companies>.

⁵ Pensana currently has no facilities under operational control in the UK. Only corporate office-based functions of our colleagues and not the offices themselves are within the operational control boundary in the UK.

⁶ For FY2025 only, the total figure for groundwater and surface water was combined into a single figure.

Where no figure is quoted for a prior reporting period, no disclosure was made.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT continued

ESG DATA FOR THE PERIOD ENDED 30 JUNE 2026 continued

Colleagues and community				
Data point	Angola	UK ²	Total	Methodology
Total recordable cases	FY2026: 4 FY2025: 1 FY2024: 5	FY2026: 0 FY2025: 0 FY2024: 0	FY2026: 4 FY2025: 1 FY2024: 5	Total recordable cases is the total of recordable incidents and recordable disease cases, as defined by the ICMM ¹ . Of the four recordable cases: - two were malaria cases, resulting in lost time; - one was a medical treatment incident, as a result of a bee sting; and - one was a trip, resulting in lost time. Refer to page 47 .
Total recordable injury frequency rate (per million hours)			FY2026: 5.38 FY2025: 0 FY2024: 0	A recordable injury case is a new case of sufficient severity that it requires medical treatment beyond first aid or results in the worker's inability to perform his or her routine work function on the next calendar day ¹ . Refer to page 47 . Reported as a single metric, including employees of Pensana Plc, Pensana Metals Limited and Ozango Minerais, and project owner's teams and contractors associated with the respective projects.
Total recordable fatalities	FY2026: 0 FY2025: 0 FY2024: 0	FY2026: 0 FY2025: 0 FY2024: 0	FY2026: 0 FY2025: 0 FY2024: 0	A fatality is defined as the death of a worker from an occupational injury or disease. A fatality is recorded when death is a direct result of an occupational injury or disease ² .
% grievances raised and resolved between Ozango and an individual raising a grievance	FY2026: 100% FY2025: 100% FY2024: 100%	FY2026: n/a FY2025: n/a FY2024: n/a	FY2026: 100% FY2025: 100% FY2024: 100%	Grievances were raised through official grievance mechanism systems for the mine site and the power line project; these were resolved at step 1 between Ozango and the individual raising the grievance.
% grievances raised referred to independent committee and resolved	FY2026: 0% FY2025: 0% FY2024: 0%	FY2026: n/a FY2025: n/a FY2024: n/a	FY2026: 0% FY2025: 0% FY2024: 0%	Grievances raised through official grievance mechanism systems for the mine site and the power line project resolved at step 2 through the independent committee stage (refer to pages 47 to 49). It should be noted zero grievances reached this stage as all were resolved at step 1.

¹ For the purpose of health and safety reporting, Pensana uses the ICMM Health and Safety Performance Indicators Guidance published in 2021. As per the guidance, all frequency rates are calculated per 1,000,000 hours worked. The guidance from the ICMM (accessed September 2022) can be accessed at https://www.icmm.com/website/publications/pdfs/health-and-safety/2021/guidance_health-and-safety-indicators.pdf.

² Pensana currently has no facilities under operational control in the UK. Only corporate office-based functions of our colleagues and not the offices themselves are within the operational control boundary in the UK.

Where no figure is quoted for a prior reporting period, no disclosure was made. This is represented by n/a.

Ethical business and corporate governance				
Data point	Angola	UK ²	Total	Methodology
Breaches upheld relating to ethical business	FY2026: 0 FY2025: 0 FY2024: 0	FY2026: 0 FY2025: 0 FY2024: 0	FY2026: 0 FY2025: 0 FY2024: 0	Breaches of ethical conduct upheld by the business after being raised and investigated.
Breaches raised via internal whistle-blowing	FY2026: 0 FY2025: 0 FY2024: 0	FY2026: 0 FY2025: 0 FY2024: 0	FY2026: 0 FY2025: 0 FY2024: 0	Queries raised via internal whistle-blowing which were upheld as breaches after investigation.
Gender split on the board	FY2026: Male 80%/Female 20% FY2025: Male 80%/Female 20% FY2024: Male 71%/Female 29%			% members of the Pensana Plc board broken down by gender as of 30 June 2026. Based on a total of five board members (four male, one female), Senior roles (executive chairman, CEO, finance director and senior independent director) are held by four males
Gender split in the workforce	FY2026: Male 69%/Female 31% FY2025: Male 69%/Female 31% FY2024: Male 80%/Female 20%	FY2026: Male 68%/Female 32% FY2025: Male 73%/Female 27% FY2024: Male 71%/Female 29%	FY2026: Male 69%/Female 31% ¹ FY2025: Male 71%/Female 29% ¹ FY2024: Male 77%/Female 23% ¹	% employees within Pensana Plc and all subsidiaries under operational control as of 30 June 2026. Based on a total of 59 employees (41 male, 18 female), of whom four are senior management (three male, one female).

¹ Includes one male employee contracted through Pensana Metals Limited, based in Australia.

² Pensana currently has no facilities under operational control in the UK. Only corporate office-based functions of our colleagues and not the offices themselves are within the operational control boundary in the UK.

Where no figure is quoted for a prior reporting period, no disclosure was made. This is represented by n/a.


Timothy George
Chief executive officer

23 October 2026



GOVERNANCE

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BOARD OF DIRECTORS

DIRECTORS AND DIRECTORS' DETAILS

**PAUL
ATHERLEY**
Executive chairman

Appointed: 13 May 2018



Mr Atherley is the founding director of Pensana Plc. He has pioneered the establishment of an independent and sustainable rare earth processing hub in the UK and value-added mineral processing in Angola. He is a highly experienced senior resources executive with wide-ranging international and capital markets experience.

He graduated as a mining engineer from Imperial College London and has held various mine management, senior executive and board positions throughout his career.

He served as executive director of the investment banking arm of HSBC Australia, where he undertook a range of advisory roles in the resources sector. He has completed several acquisitions and financings of resource projects in Europe, China, Australia and Asia.

Mr Atherley is a strong supporter of women in STEM (science, technology, engineering and mathematics). He has established a scholarship that provides funding to support young women pursuing education in science and engineering.

Other current directorships of listed companies:

- Alkemy Capital Investments Plc (January 2021 to present)
- Co-founder and member of the investment committee of the Arch Sustainable Resources Fund (March 2023 to present)

Former directorships of listed companies in the past three years:

- None

**TIMOTHY
GEORGE**
Executive director/chief executive officer

Appointed: 22 April 2019



Mr George is a minerals engineer with over 30 years of experience in the mining and engineering sectors, with broad experience in mining project development across sub-Saharan Africa.

He holds an Honours Degree in Minerals Engineering from Leeds University and spent more than a decade in production management at several Anglo American operations in Africa, along with plant design and feasibility studies in various base and precious metal projects.

His history in Angola began in 1998 in the construction and engineering sector. He later became the chairman and CEO of Xceldiam, an AIM-listed diamond exploration company that focuses on Angola. He subsequently served as a non-executive director of a Scandinavian dual-listed resources entity with assets in sub-Saharan Africa, including Angola.

Other current directorships of listed companies:

- None

Former directorships of listed companies in the past three years:

- None

**ROBERT
KAPLAN**
Executive director/ finance director

Appointed: 31 March 2022



Mr Kaplan is a chartered accountant with over 20 years of operating experience in the African mining sector. His addition to the Pensana team brings a broad skill set in both UK and sub-Saharan corporate finance, along with extensive experience in mining operations in Angola, South Africa and Tanzania.

Before joining Pensana, he worked at LSE-listed Petra Diamonds Limited as finance manager corporate and head of treasury. He was involved in several mine financings, including two US dollar bond issues totalling US\$1 billion, various African lender facilities totalling over US\$750 million and, most recently, an equity rights issue of US\$178 million on the LSE. Prior to this, he was finance director of Xceldiam, an Angola-focused AIM-listed diamond exploration company.

Other current directorships of listed companies:

- None

Former directorships of listed companies in the past three years:

- None

**STEVEN LAWRENCE
SHARPE**
Independent non-executive director

Appointed: 29 September 2021



Mr Sharpe is a highly experienced natural resources financier and has been involved with financing of some US\$6 billion over his 37-year career. He is an executive board member of EIT Raw Materials. He was formerly the president and CEO of Euromax Resources Limited, senior vice president of European Goldfields Limited, managing director at Canaccord Genuity, managing director at Endeavour Financial, assistant general manager at Standard Bank London Limited and assistant director of N M Rothschild & Sons Limited.

Other current directorships of listed companies:

- None

Former directorships of listed companies in the past three years:

- None

**ALISON
SAXBY**
Independent non-executive director

Appointed: 17 August 2022



Ms Saxby is an industry-leading expert with more than 35 years of experience in industrial minerals and metals. Her expertise includes pricing, deep market knowledge, research and communications gained through consultancy projects, minerals trading and commercial reports. She was previously a managing director at metals consultancy Roskill, where she led the strategic direction of the company's research and products through a period of growth, with a focus on critical minerals. Prior to that, she held roles at Fastmarkets as an independent consultant.

Ms Saxby was recently a member of the UK government's Critical Materials Global Expert Mission to both Canada and the United States of America for Innovate UK-KTN and is working with Edumine to provide educational courses on critical materials. She is the author of numerous publications on critical and other minerals and originally trained as a mineral engineer.

Other current directorships of listed companies:

- None

Former directorships of listed companies in the past three years:

- None

REMUNERATION REPORT

STATEMENT OF THE CHAIRMAN OF THE REMUNERATION AND NOMINATION COMMITTEE

The remuneration report outlines remuneration awarded to directors and non-executive directors during the year.

Pensana was admitted to the Official List of the Financial Conduct Authority (transition segment) and commenced trading on the LSE's Main Market for listed securities on 6 July 2020. Pensana continuously looks to develop its remuneration framework in accordance with Schedule 8 to the Accounting Regulations.

As part of this process, the remuneration and nomination committee has considered the latest governance developments, independent evaluations of market trends and the evolving views of shareholders. There were no significant recommended changes proposed at the last AGM held on 3 December 2025. A resolution to approve the directors' remuneration report was tabled for consideration by shareholders. A total of 113,367,806 votes were cast, with 99.96% of shareholders voting in favour and 0.04% voting against.

We recognise the importance of fostering a culture of accountability and alignment with shareholders' interests, and we remain dedicated to reviewing our remuneration policies

and incentive structures to ensure they are effective and reflective of our company's performance and future prospects, while aligning with market comparators and trends.

For the purposes of this report, key management personnel of the group are identified as those persons having the authority and responsibility for planning, directing and controlling major activities of the company and the group, directly or indirectly. Refer to the board of directors on **pages 66 and 67** for a breakdown of the directors' details and their roles in the company.

Shareholders will be asked to approve the annual remuneration report as an ordinary resolution at the AGM in December 2026.

The company's auditor, BDO LLP, is required by law to audit certain disclosures, and where disclosures have been audited, they are indicated as such. No persons materially assisted the committee in its consideration of remuneration during the current year.



Steven Sharpe
Chairman of the remuneration and nomination committee

23 October 2026

REMUNERATION AND NOMINATION COMMITTEE MEMBERSHIP

The table below shows the members of the committee during 2026 and their attendance:

Committee members	Attendance
S Sharpe	2/2
A Saxby	2/2
R Kaplan	2/2

OVERVIEW OF THE POLICY AND HOW IT WAS APPLIED FOR FY2026

Fixed remuneration	
Salary	
Influenced by role requirements, performance of the individual, level of experience and market positioning.	No increases were awarded to executive directors during FY2026. With effect from 1 July 2026, executive director base annual salaries, reflected in British pounds to align with their contract terms, were as follows: - Mr Paul Atherley – £288,750 (2025: £288,750); US\$387,742 (2025: US\$372,805); - Mr Timothy George – £315,000 (2025: £315,000); US\$422,991 (2025: US\$406,697); and - Mr Robert Kaplan – £220,000 (2025: £220,000); US\$295,423 (2025: US\$284,042).
Benefits	
Provision of an appropriate level of benefits for the relevant role and local market.	Executive directors do not currently receive any benefits.
Variable remuneration	
Annual bonus	
Linked to key financial, operational, health, safety and the environment, socio-economic development and strategic goals of the company, which reflect critical factors of success.	Maximum opportunity for FY2026 of 150% of salary. The committee reviewed the annual bonus targets for FY2026 to ensure that they are aligned to our strategic priorities and completion of main financing. The bonus scorecard for FY2026 was linked to: - completion of main financing; - initiation of construction at Longonjo; - health and safety objectives; and - ESG objectives. Annual bonuses are subject to a clawback provision, which may apply for up to two years following the end of the performance period. Bonuses in the form of 4,750,000 shares were approved to executives during the prior year but are subject to timing on share capacity availability and have not been issued as at the date of this report. No bonuses were awarded in FY2026.
LTI plan	
Aligned with shareholders and motivating the delivery of long-term objectives.	No share awards were issued to executives during FY2026. 8,250,000 share awards were issued to executives during the prior year. Awards are currently reviewed under performance conditions, including ESG, project financing of the Longonjo Project, construction completion and cold commissioning of the Longonjo Project. LTI awards are subject to a two-year holding period post vesting to further align executive remuneration with shareholder interests. The LTI awards are also subject to a clawback provision, which applies for up to two years following the end of the relevant performance period.

Shareholding guidelines	Aligned with shareholders. Shareholding guidelines of 200% of salary.
Clarity	The committee is mindful of ensuring that our remuneration arrangements are clear and transparent for both participants and shareholders. When considering changes to our remuneration policy, the committee engaged with major shareholders and key proxy bodies and took their comments into account.
Simplicity	Pensana's remuneration framework is focused on simplicity, consisting of fixed remuneration, an annual bonus and a single LTI plan.
Remuneration arrangements should identify and mitigate reputational and other risks associated with excessive rewards, as well as behavioural risks that can arise from target-based incentive plans, are identified and mitigated.	The committee takes risk factors into account when setting and assessing remuneration arrangements. The performance framework includes a balanced range of measures, including construction roll-out, anticipated future production, financial, health and safety and ESG measures. The remuneration framework provides the committee with discretion to adjust incentive outturns or to claw back remuneration in certain circumstances.

ANNUAL REMUNERATION REPORT

THE FOLLOWING INFORMATION HAS BEEN AUDITED

Single total figure of remuneration for the year ended 30 June 2026

	Salaries and fees ¹ US\$	Total fixed US\$	Short-term share awards bonus ¹ US\$	Benefits US\$	Options and rights ¹ US\$	Total variable US\$	Total 2026 US\$
Non-executive directors²							
S Sharpe	70,499	70,499	–	–	–	–	70,499
A Saxby	70,499	70,499	–	–	–	–	70,499
Executive directors							
T George	422,991	422,991	–	–	457,864	457,864	880,855
P Atherley	387,742	387,742	–	–	–	–	387,742
R Kaplan	295,423	295,423	–	–	289,980	289,980	585,403
Key management							
R Smith ³	87,500	87,500	–	–	–	–	87,500
K Brown ⁴	181,282	181,282	–	–	–	–	181,282

¹ The options and rights represent FY2024 LTI share awards that have vested during the year.

² There have been no changes to non-executive director fees in the current year. No additional fees were paid to the non-executive directors during FY2026.

³ Resigned on 30 September 2025.

⁴ Appointed on 1 October 2025.

Single total figure of remuneration for the year ended 30 June 2025

	Salaries and fees ¹ US\$	Total fixed US\$	Short-term share awards bonus ² US\$	Benefits US\$	Options and rights ³ US\$	Total variable US\$	Total 2025 US\$
Non-executive directors⁴							
S Sharpe	67,783	67,783	–	–	–	–	67,783
J Beeton ⁵	12,601	12,601	–	–	–	–	12,601
L Northover ⁶	12,601	12,601	–	–	–	–	12,601
A Saxby	67,783	67,783	–	–	–	–	67,783
Executive directors							
T George	375,321	375,321	520,030	–	55,718	575,748	951,069
P Atherley	372,805	372,805	445,740	–	–	445,740	818,545
R Kaplan	284,042	284,042	445,740	–	35,288	481,028	765,070
Key management							
R Smith	262,500	262,500	118,864	–	52,003	170,867	433,367

¹ Over the period, salaries were withheld to facilitate cash preservation. Salaries and fees owing to P Atherley (US\$70,204), S Sharpe (US\$28,243), A Saxby (US\$28,243), T George (US\$175,083) and R Smith (US\$21,875) have been accrued. Additionally, a loan in the amount of US\$402,453 is due to R Kaplan in respect of personal shares he sold to facilitate working capital for the group.

² Granted shares as a short-term incentivisation. The valuation in the table above is based on the 1 April 2025 grant date price of 23 pence. No shares related to these awards have yet been issued to the executive directors. All shares awarded remain subject to final approval from the remuneration and nomination committee before they can be exercised by the holder.

³ The options and rights represent FY2024 LTI share awards that have vested during the year, following the successful fulfilment of some of the vesting conditions.

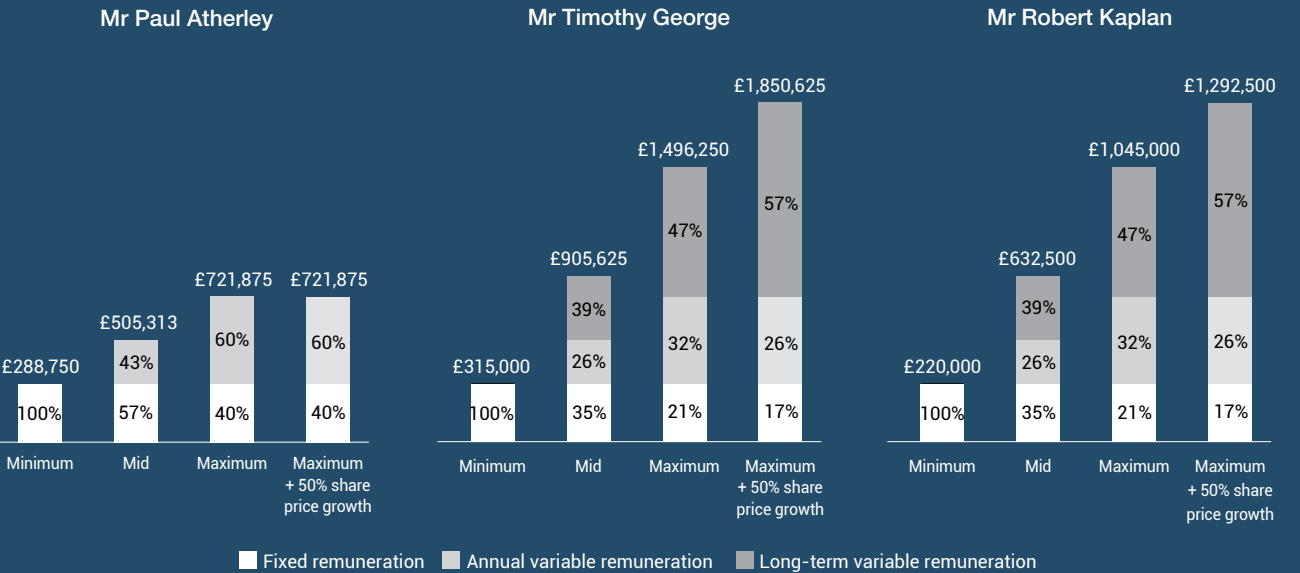
⁴ There have been no changes to non-executive director fees in the current year. No additional fees were paid to the non-executive directors during FY2025.

⁵ Resigned on 19 September 2024.

⁶ Resigned on 18 September 2024.

The graph below is unaudited.

ILLUSTRATION OF THE APPLICATION OF THE REMUNERATION POLICY



ANNUAL REMUNERATION REPORT

continued

The charts above have been compiled using the following assumptions:

Fixed remuneration	Salary as at 1 July 2026
Variable remuneration	Annual bonus: maximum award of 150% of base salary; and LTI plan: maximum award of 150% of base salary.

PERFORMANCE SCENARIOS

Minimum	Fixed remuneration only
Medium	Fixed remuneration plus variable pay for the purpose of illustration as follows: Annual bonus: assumes a bonus payout of 50% of maximum; and LTI: assumes vesting of 50% of maximum.
Maximum	Fixed remuneration plus variable pay for the purpose of illustration as follows: Annual bonus: assumes a bonus payout of 100% of maximum; and LTI: assumes vesting of 100% of maximum.

ADDITIONAL NOTES TO THE TOTAL REMUNERATION TABLE

For FY2027, the committee has determined that the base salaries (per annum) for the executive directors will remain unchanged as set out below.

	Base salary from 1 July 2026 £	Base salary from 1 July 2025 £
Executive directors		
T George	315,000	315,000
P Atherley	288,750	288,750
R Kaplan	220,000	220,000

SHARE-BASED PAYMENTS

Share-based options

2026

During the year, no options were issued to directors and key management personnel.

2025

During the prior year, no options were issued to directors and key management personnel.

No share-based option holdings existed as at 30 June 2026 and at 30 June 2025 for key management personnel.

LTI PLAN SHARE AWARDS

2026

No share awards were issued to executive directors and key management personnel during FY2026.

2025

Share awards were issued to executive directors and key management personnel in April 2025.

These awards are subject to four performance conditions, namely:

- full drawdown of the required Longonjo equity funding component for Phase 1, to the satisfaction of the remuneration and nomination committee (30% of award);
- full drawdown of the Longonjo debt component for Phase 1 (30% of award);
- 30% of award on cold commissioning of Longonjo Phase 1 (30% of award); and
- measured annually on the health, safety, security and environment framework (10% of award).

The vesting period for these shares is three years from 1 April 2025.

2024

Share awards were issued to executive directors and key management personnel in November 2023.

These awards are subject to four performance conditions, namely:

- total shareholder return (TSR) (35% of award);
- successful financing of the Longonjo Phase 1 development of US\$200 million (25% of award);
- 50% construction completion of the Longonjo Project on a cost basis (25% of award); and
- measured annually on the health, safety, security and environment framework (15% of award).

The vesting period for these shares is three years from 1 July 2023. During the previous year, 25% of the FY2024 share awards vested, as successful financing of the Longonjo Phase 1 was completed and announced, with conditional credit committee approvals by Absa and AFC.

During FY2026, 50% of these awards vested, being TSR and the performance condition related to the Health, Safety, Social and Environmental (HSSE) framework. No shares vested for R Smith during the year, as he resigned in September 2025.

2022

Of the FY2022 share awards, 15% related to the lost time injury frequency rate (LTIFR) portion is likely to vest, following the approval of the remuneration and nomination committee. These shares have not yet been approved or issued as at 30 June 2025.

STI PLAN SHARE AWARDS

No short-term bonus awards were granted to executive directors and key management personnel during FY2026.

Short-term bonus awards were granted to executive directors and key management personnel during the previous year on 1 April 2025 totalling 7,650,000 shares. Of these, 2,900,000 shares were issued on 23 June 2025 to management and staff. The short-term bonus awards granted to executive directors have not yet been issued as at 30 June 2025, but they were included in the single figure of remuneration table for the year. As at 30 June 2026, these awards remained unissued.

Short-term bonus awards were granted to executive directors and key management personnel on 7 November 2023 totalling 1,342,000 shares. These shares were issued on 8 April 2024. There are no additional performance conditions attached to the share awards; however, executives cannot exercise the shares without the prior approval of the committee.

Share awards granted to executive directors and key management personnel

2025 share awards issued

Name	Grant date	Quantity of shares awarded	Vesting period
P Atherley	1 April 2025	2,750,000	Three years ending 31 March 2028
T George	1 April 2025	3,000,000	Three years ending 31 March 2028
R Kaplan	1 April 2025	2,500,000	Three years ending 31 March 2028
		8,250,000	

The face value of the shares awarded was US\$2.7 million.

2024 share awards issued and movement during the year

Name	Grant date	Quantity of shares awarded in FY2024	Share awards balance as at 30 June 2025	Quantity of shares cancelled in FY2026	Quantity of shares vested in FY2026	Share awards balance as at 30 June 2026	Vesting period
T George	8 November 2023	750,000	562,500	(187,500)	375,000	–	Three years ending 30 June 2026
R Kaplan	8 November 2023	475,000	356,250	(118,750)	237,500	–	Three years ending 30 June 2026
R Smith	8 November 2023	700,000	525,000	(525,000)	–	–	Three years ending 30 June 2026
		1,925,000	1,443,750	(831,250)	612,500	–	

ANNUAL REMUNERATION REPORT

continued

In total, 50% of these awards vested during FY2026, being TSR and the performance condition related to the HSSE framework. No shares vested for R Smith during the year, as he resigned in September 2025. The 175,000 shares which vested during the prior year for R Smith were also cancelled during the year.

Shares were vested in 2025 following credit committee approvals by Absa and AFC in April 2025. Trading in these shares is still subject to approval by the board.

Share awards issued to executive directors and key management personnel

2023 share awards issued

Name	Grant date	Quantity of shares awarded in FY2022	Quantity of shares cancelled in FY2023	Quantity of shares cancelled in FY2024	Share awards balance as at 30 June 2024	Vesting period
T George	16 May 2022	708,333 ¹	354,166 ¹	247,917	106,250	Three years ending 30 June 2024
R Kaplan	16 May 2022	487,500 ¹	243,750 ¹	170,625	73,125	Three years ending 30 June 2024
R Smith	16 May 2022	400,000	200,000	140,000	60,000	Three years ending 30 June 2024
		1,595,833	797,916	558,542	239,375	

¹ The FY2021 allocation was added to the FY2022 allocation due to the expanded scope around the FEED study and the associated timing delays. As the KPIs could not be finalised, management agreed to defer the allotment and included it in the FY2022 share award. The value of these shares is estimated at US\$516,395.

Of these share awards, 50% related to the financing and construction KPIs were deemed unlikely to vest and were cancelled in FY2023. In FY2024, 35% that were subject to TSR KPIs were cancelled, with the balance of 15% being subject to LTIFR KPIs, subject to final approval by the committee in FY2025.

There was no change to these awards during FY2026, except for the 15% of shares of R Smith, which lapsed on his resignation in September 2025.

Shareholdings of key management personnel in the company

The interests of key management personnel in the shares of the company, held directly or indirectly, as at 30 June 2026 were as follows. The company does not have a minimum requirement or guideline for director shareholdings.

Name	Balance as at 1 July 2025 Number	Received on vesting of LTI awards (issued) Number	Received on issue of short-term bonus awards Number	Net purchases/ (sales) during the period Number	Balance as at 30 June 2026 Number
P Atherley	14,811,116	–	–	–	14,811,116
J Beeton	–	–	–	–	–
L Northover	–	–	–	–	–
S Sharpe	–	–	–	–	–
A Saxby	–	–	–	–	–
T George	3,052,995	–	–	–	3,052,995
R Kaplan	1,210,064	–	–	–	1,210,064

The interests of key management personnel in the shares of the company, held directly or indirectly, as at 30 June 2025 were as follows. The company does not have a minimum requirement or guideline for director shareholdings.

Name	Balance as at 1 July 2024 Number	Received on vesting of LTI awards (issued) Number	Received on issue of short-term bonus awards Number	Net purchases/ (sales) during the period Number	Balance as at 30 June 2025 Number
P Atherley	14,444,116	–	1,500,000 ¹	367,000	14,811,116
J Beeton	–	–	–	–	–
L Northover	–	–	–	–	–
S Sharpe	–	–	–	–	–
A Saxby	–	–	–	–	–
T George	2,865,495	187,500	1,750,000 ¹	–	3,052,995
R Kaplan	2,205,000	118,750	1,500,000 ¹	(1,113,686) ²	1,210,064

¹ The short-term bonus awards granted on 1 April 2025 to executive directors are unissued as at 30 June 2025 and therefore excluded from the total balance.

² Includes 315,000 shares sold in December 2024 to settle a director loan advance and 798,686 net shares (1,046,186 sold, 247,500 reissued by the company) sold by R Kaplan to provide short-term working capital to the company and settle associated tax charges thereon. During the prior year, US\$61,169 was advanced to R Kaplan for relocation expenses. The advance carried interest at 2.25% per annum and was repaid in full by 8 January 2025.

Payments to past directors

No payments were made to past directors in the year ended 30 June 2026 (2025: US\$nil).

Payments for loss of office

No payments for loss of office were made in the year ended 30 June 2026 (2025: US\$nil).

THE FOLLOWING SECTION IS UNAUDITED

Relative importance of spend on pay

The following table sets out the percentage change in payments to shareholders and overall expenditure on pay across the group:

	2026 US\$	2025 US\$	2024 US\$	2023 US\$	2022 US\$	2021 US\$	2020 US\$	2019 US\$
Non-executive directors⁵								
S Sharpe ²	70,499	67,783	66,130	159,693	50,183	–	–	–
L Northover	–	12,601	66,130	63,275	66,232	45,222	–	–
J Beeton	–	12,601	66,130	63,275	66,232	22,410	–	–
A Saxby	70,499	67,783	66,130	55,893	–	–	–	–
S Bates	–	–	–	–	16,558	48,983	–	–
M Hohnen ⁴	–	–	–	–	–	62,349	33,500	30,089
N Maclachlan ⁴	–	–	–	–	–	62,384	33,500	30,089
Executive directors⁵								
T George	422,991	375,321	367,512	330,975	364,531	232,327	200,863	33,335
P Atherley ³	387,742	372,805	363,712	348,010	364,273	56,483	50,205	45,134
R Kaplan	294,423	284,042	277,114	265,151	62,920	–	–	–
D Hammond	–	–	–	–	–	177,090	180,411	150,445
S Mison	–	–	–	–	–	–	–	108,320
Other								
Payments to shareholders	–	–	–	–	–	–	–	–
Group employment costs ⁶	5,405,764	5,932,587	3,928,481	1,701,642	5,439,626	2,578,814	1,723,500	–

ANNUAL REMUNERATION REPORT continued

	Change from 2025 to 2026 ¹ %	Change from 2024 to 2025 ¹ %	Change from 2023 to 2024 %	Change from 2022 to 2023 %	Change from 2021 to 2022 %	Change from 2020 to 2021 %	Change from 2019 to 2020 %
Non-executive directors⁵							
S Sharpe	4	2	(59)	218	–	–	–
L Northover	–	(81)	5	(4)	46	–	–
J Beeton	–	(81)	5	(4)	196	–	–
A Saxby	4	2	18	–	–	–	–
S Bates	–	–	–	–	(66)	–	–
M Hohnen	–	–	–	–	–	86	11
N Maclachlan	–	–	–	–	–	86	11
Executive directors⁵							
T George	13	2	11	(9)	57	16	503
P Atherley	4	3	5	(4)	545	13	11
R Kaplan	4	3	5	321	–	–	–
D Hammond	–	–	–	–	–	(2)	20
S Mison	–	–	–	–	–	–	–
Other							
Payments to shareholders	–	–	–	–	–	–	–
Group employment costs	(9)	51	152	(69)	111	50	–

¹ % change movements for 2026 to 2025 are a function of translation at different GBP:US\$ exchange rates unless stated otherwise. There have been no salary increases in the current year.

² At the request of the board, Mr Sharpe assumed significant additional duties for the period January 2023 to May 2023 relating to a proposed strategic investment by a third party. In compensation for these duties, he received US\$48,209 in addition to the director's fee of US\$56,420.

³ Served as executive chairman since 1 July 2021.

⁴ The percentages shown for these directors are skewed due to their appointments commencing partway through the year.

⁵ Directors' remuneration represents salaries and fees, being the fixed remuneration per annum.

⁶ % change movements for 2023 to 2025 are a result of the current year share-based payment provision compared to a full reversal of annual bonuses and share-based payments in the prior year.

Refer to note 6 for more details on employee benefits and employee wages and salaries.

Annual percentage change in single-figure remuneration for the year ended 30 June 2026

	Year	Base salaries US\$	Bonuses US\$	Options and rights US\$	Total US\$	% change year-on-year ¹
Non-executive directors						
S Sharpe	2026	70,499	–	–	70,499	4
	2025	67,783	–	–	67,783	
L Northover	2026	–	–	–	–	(100)
	2025	12,601	–	–	12,601	
J Beeton	2026	–	–	–	–	(100)
	2025	12,601	–	–	12,601	
A Saxby	2026	70,499	–	–	70,499	4
	2025	67,783	–	–	67,783	
Executive directors						
P Atherley	2026	387,742	–	–	387,742	(53)
	2025	372,805	445,740	–	818,545	
T George	2026	422,991	–	457,864	880,855	(10)
	2025	375,321	520,030	55,718	951,069	
R Kaplan	2026	295,423	–	289,980	585,403	(24)
	2025	284,042	445,740	35,288	765,070	

¹ % change movements year-on-year are a function of translation at different GBP:US\$ exchange rates unless stated otherwise. There have been no salary increases in the current year.

The following table sets out the total remuneration and incentive plan payouts for the CEO over a six-year period:

	Single total figure of remuneration US\$	Annual bonus payout (% of maximum) US\$
2026	880,855	–
2025	951,069	92
2024	603,559	20
2023	555,359	–
2022	1,181,468	47
2021	2,498,580	88
2020	289,330	29

The following graph illustrates the company's performance since listed on the LSE relative to the FTSE Developed Small Cap Index. The directors believe this comparison is appropriate as it compares the company to an index comprising small cap stocks below the US\$150 million free float-adjusted market cap.

PENSANA VS FTSE SMALL CAP INDEX
(Indexed, July 2020 = 100)



Consideration by the directors of matters relating to directors' remuneration

Due to the group's financial position and the internal focus on cash preservation during the main financing process, the remuneration and nomination committee deemed it prudent for the executive directors' remuneration be aligned with that of FY2025. Similarly, the board considered the non-executive directors' remuneration for the year ended 30 June 2026 within the same parameters with no changes proposed.

Shareholder voting

At the AGM on 9 December 2021, there was an advisory vote to adopt the remuneration policy. Of the 71,909,111 valid proxy votes appointed, 71,558,022 (99.51%) voted in favour. Due to 98.88% of votes in favour of the policy, the policy is deemed satisfactory from a shareholder perspective.

Refer to **page 43** of the corporate governance report for details of the total number of votes cast, votes for and against, as well as votes withheld during the AGM for each resolution passed.

Service contracts

All executive directors and key management personnel have full-time contracts of employment with the company; non-executive directors have contracts for services. No director has a contract of employment or contract of service with the company or its associated companies with a fixed notice term that exceeds six months. Directors’ notice periods were deemed sufficient during the period to ensure an effective handover of duties should a director leave the company. These notice periods will be reviewed for their appropriateness during the current financial year. Service contracts are kept at the registered office and are available for inspection upon request.

The termination provisions are as follows:

Description	Notice period	Payment in lieu of notice
Employer-initiated termination without reason	Six months	Six months
Termination for serious misconduct	None	None
Employee-initiated termination	Six months	Six months

Key terms of employment contracts

Contracts for services of key management personnel and relevant executives

Remuneration and other terms of employment for the directors and other key management personnel are formalised in service agreements. The contractual arrangements contain certain provisions typically found in contracts of this nature. The termination provisions are as follows:

Mr Paul Atherley – Executive chairman
(effective 1 July 2021)
(previously non-executive chairman – effective 13 May 2018)

Mr Atherley has entered into a letter of appointment with the company in respect of his appointment as executive director/ chairman.

Base terms

- Letter of appointment as executive director/chairman is effective from 1 July 2021 and has no set term.
- Base remuneration is a monthly salary and will be reviewed annually (£288,750 per annum).
- An STI of up to 150% of the base salary will be reviewed annually and will be paid on achievement of near-term milestones (KPIs) in accordance with the bonus scorecard for the relevant period.

Mr Timothy George – Chief executive officer
(appointed 22 April 2019)

Base term

- Base remuneration is a monthly salary and will be reviewed annually (£315,000 per annum).

Incentive package

- An STI of up to 150% of base salary will be reviewed annually and will be paid on achievement of near-term milestones (KPIs) in accordance with the bonus scorecard for the relevant period.

- LTI share awards based on a maximum of 150% of base salary with vesting over three years linked to six performance conditions: absolute TSR (market-based), the LTIFR, full financing of the Longonjo Project, construction completion of the rare earth separation facility and production of the rare earth separation facility.

Mr Robert Kaplan – Finance director
(effective 31 March 2022)
(previously chief financial officer, appointed 1 January 2020)

Base term

- Base remuneration is a monthly salary and will be reviewed annually (£220,000 per annum).

Incentive package

- An STI of up to 150% of base salary will be reviewed annually and will be paid on achievement of near-term milestones (KPIs) in accordance with the bonus scorecard for the relevant period.
- LTI share awards based on a maximum of 150% of base salary with vesting over three years linked to six performance conditions: absolute TSR (market-based), the LTIFR, full financing of the Longonjo Project, construction completion of the rare earth separation facility and production of the rare earth separation facility.

Non-executive directors

The company’s Constitution provides that directors may be paid out of company funds, as remuneration for their services, a sum determined from time to time by the company’s shareholders in general meeting. This sum is to be divided among the directors in such manner as they agree.

Directors’ remuneration for their services as directors is by way of a fixed sum and is not based on a commission or a percentage of profits or operating revenue. The maximum sum of directors’ remuneration may not be increased except at a general meeting at which particulars of the proposed increase have been provided in the notice convening the meeting to shareholders.

There is provision for directors who devote special attention to the business of the company or perform services regarded as being outside the scope of their ordinary duties as directors, or at the request of the board, engage in any journey on company business to be paid additional remuneration determined by the board. Directors are also entitled to reimbursement for their reasonable travel, accommodation and other expenses incurred in attending company or board meetings, or meetings of any committee engaged in the company’s business.

DIRECTORS’ REMUNERATION POLICY REPORT

The following section sets out the group’s remuneration policy (“the policy report”). It is intended that this policy report will be put forward to shareholders for approval at the 2026 AGM and will thereafter come into immediate effect following the AGM.

Remuneration principles

Pensana’s culture is performance-driven within a high-growth environment that requires significant time, effort and commitment. We have a management team that is highly experienced in the specialist field of rare earth mining and chemical engineering, requiring unique skill sets to be brought to bear. Against this background, our approach to remuneration is guided by the following overarching principles:

- The employment terms for executive directors and senior management are designed to attract, motivate and retain high-calibre individuals who will drive the performance of the company. The group competes for talent in the niche rare earth sector and we aim for packages to be competitive in this market.

- Remuneration packages should be weighted towards performance-related pay.
- Performance measures should be tailored to Pensana’s strategic goals, and targets should be demanding.
- Share-based rewards should be meaningful. The committee believes long-term share awards provide alignment with the long-term interests of shareholders and the company.
- Remuneration structures should take into account best-practice developments, but these should be applied in a manner that is appropriate for Pensana’s industry and specific circumstances.

Review process and changes to the policy report

The committee completed a major review of the remuneration policy in 2021, culminating in its approval at the AGM in December 2021. This review considered the latest governance developments, independent evaluations of market trends and the evolving views of shareholders, alongside input from the committee’s independent advisers. Input was also received from the company’s management, while ensuring that any conflicts of interest were suitably mitigated.

Notable new features introduced as part of the remuneration structure included:

- a post-vesting holding period under the LTI plan that will now form part of the policy report;
- the introduction of post-employment shareholding requirements; and
- the extension of LTIs to a standard three-year measurement term, with awards subject to malus and clawback.



ANNUAL REMUNERATION REPORT continued

Having established the remuneration policy at the December 2021 AGM, the committee recognised that this should not be a static process. Accordingly, during the current period, it continued to follow the latest governance developments and market trends to ensure that the remuneration policy remained fully fit for purpose. The committee's responsibilities include reviewing and considering the remuneration of the wider workforce, including pay gaps and disparities in the company's broader approach to workforce remuneration. This includes giving particular consideration to gender and ethnic diversity when determining remuneration policies for executive directors.

Policy on payments for loss of office

The company may require an executive director to work their notice period or may choose to place the individual on 'garden leave' if this is the most commercially sensible approach. In the event of termination, certain restrictions may apply for a period of up to 12 months to protect the business interests of Pensana.

Remuneration policy

	Operation	Opportunity/performance measures
Basic salary To recruit and retain high-calibre executives	- The base salaries for executive directors are determined by the committee, taking into account a range of factors, including: - the scope of the role; - the individual's performance and experience; and - positioning against comparable roles in other mining companies of similar size and complexity. - Base salaries are normally reviewed annually with changes effective from the start of the financial year on 1 July.	- In determining salary increases, the committee is mindful of general economic conditions and salary increases for the broader company employee population. - More significant increases may be made at the discretion of the committee in certain circumstances, including (but not limited to): - where an individual's scope of responsibilities has increased; - where, in the case of a new executive director who is positioned initially on a lower starting salary, the individual has gained appropriate experience in the role; and - where the salary positioning is out of step with salaries for comparable roles in the market.
Benefits To provide market-competitive benefits	- The benefit policy is to provide an appropriate level of benefit for the role, taking into account relevant market practice. - Under the current arrangements, executive directors do not receive any benefits, however, consideration is being given to: - a benefits allowance of 10% of salary in respect of both benefits and pension; and - group life, disability and critical illness insurance. - The committee retains the discretion to provide reasonable additional benefits based on individual circumstances (for example, travel allowance and resettlement expenses for new hires or pension arrangements).	The benefit provision will be set at an appropriate level, taking into account the cost to the company and the individual's circumstances.

	Operation	Opportunity/performance measures
Annual bonus To motivate and reward performance measured against the company's annual key financial and operational strategic goals, which reflect critical factors of success	Short-term annual incentive based on performance during the financial year. Awards will be subject to malus and clawback provisions.	- Maximum award of up to 150% of base salary. - The amount of bonus earned is based on performance against financial, operational, strategic and personal measures. - The committee reviews the performance measures annually and sets targets to ensure that they are linked to corporate priorities and are appropriately stretching in the context of the business plan. - Prior to determining bonus outcomes, the committee considers performance in the round to ensure that the resulting bonuses are appropriate. The committee retains the discretion to amend the formulaic outcome if considered appropriate to ensure fairness to both shareholders and participants.
LTI plan To motivate and reward for the delivery of long-term objectives in line with the business strategy. To create alignment with the shareholder experience and motivate long-term objectives.	- Awards of conditional shares (or equivalent) which would normally vest based on performance over a period of three years. - Awards granted from FY2021 will be subject to a post-vesting holding period. - Awards may accrue dividend equivalents. - Awards will be subject to malus and clawback provisions.	- Maximum award of up to 200% of salary and a normal award of 150% of salary. - Vesting is normally based on performance against financial, operational and strategic measures. - The committee determines targets each year to ensure that targets are stretching and represent value creation for shareholders, while remaining motivational for management. - The committee retains the discretion to amend the formulaic outcome if considered appropriate and to ensure fairness to both shareholders and participants. - The committee has additional discretion to make downward adjustments in the event that a significant increase in the share price leads to potentially excessive rewards.

Shareholding guidelines

It is the company's policy that each of the executive directors holds a meaningful number of Pensana shares. The guideline is to build and maintain a minimum of two years' basic salary for the applicable director. Newly appointed executive directors will normally have five years from the date of appointment to reach this guideline.

Malus and clawback provisions

In line with best practice, the vesting of LTI awards is subject to malus and clawback provisions. The malus provision enables the committee to exercise discretion to reduce, cancel or impose further conditions on an award prior to vesting or exercise (as the case may be). The clawback provision enables the committee to require participants to return some or all of an award after payment or vesting. Both provisions may be applied in circumstances, including:

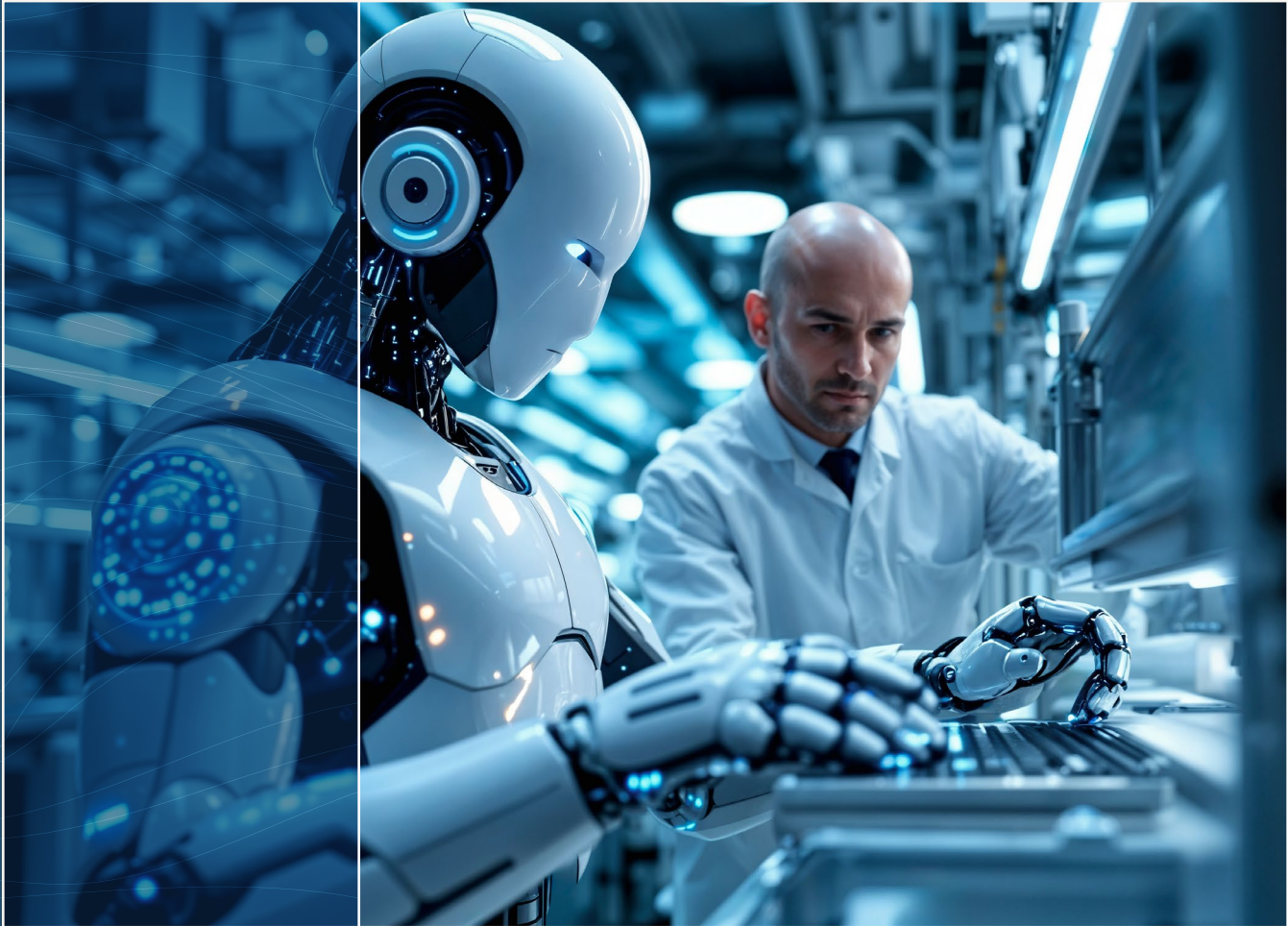
- a serious misstatement of the company's audited results;
- gross misconduct;
- payments based on erroneous data; or
- a serious failure of risk management.

For and on behalf of the board:

Signature of Steven Sharpe

Steven Sharpe
Chairman of the remuneration and nomination committee

23 October 2026



ANNUAL FINANCIAL STATEMENTS



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DIRECTORS' RESPONSIBILITY STATEMENT

The directors are responsible for preparing the annual report and the financial statements in accordance with UK-adopted international accounting standards and applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors are required to prepare the consolidated financial statements and have elected to prepare the company financial statements in accordance with UK-adopted international accounting standards. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss for the group for that period.

In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with UK-adopted international accounting standards, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business; and
- prepare a directors' report, a strategic report and a directors' remuneration report, which comply with the requirements of the Companies Act 2006.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and for ensuring that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for ensuring that the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the group's position and performance, business model and strategy.

WEBSITE PUBLICATION

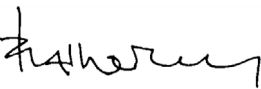
The directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the company's website in accordance with legislation in the UK governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the company's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

DIRECTORS' RESPONSIBILITIES PURSUANT TO DISCLOSURE GUIDANCE AND TRANSPARENCY RULES REQUIREMENTS

The directors confirm to the best of their knowledge:

- the financial statements have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the group; and
- the annual report includes a fair review of the development and performance of the business and the financial position of the group and company, together with a description of the principal risks and uncertainties that they face.

This responsibility statement and the directors' report were approved by the board of directors on 23 October 2026 and are signed on its behalf by:



Paul Atherley
Executive chairman

DIRECTORS' REPORT

The directors of Pensana Plc (the company) submit herewith the annual financial report of Pensana Plc (consolidated entity) for the year ended 30 June 2026.

DIRECTORS AND DIRECTORS' DETAILS

The names and particulars of the directors of the company during or since the end of the financial year are stipulated on **pages 66 and 67**.

CAPITAL STRUCTURE

Note 15 to the financial statements sets out the capital structure and summary of equity placements of the company.

DIVIDENDS

No dividends have been paid or proposed since the start of the financial year, and the directors do not recommend the payment of a dividend in respect of the financial year.

FINANCIAL INSTRUMENTS

Note 23 to the financial statements sets out the risks in respect of financial instruments. The board reviews and agrees overall treasury policies, delegating appropriate authority to the finance director. Treasury operations are reported at each board meeting and are subject to weekly internal reporting.

PRICE RISK, CREDIT RISK, LIQUIDITY RISK AND CASH FLOW RISK

The principal risks and uncertainties section on **pages 26 to 33** sets out the company's exposure and mitigation relating to price risk, credit risk, liquidity risk and cash flow risk.

POLITICAL CONTRIBUTIONS AND CHARITABLE DONATIONS

During the current and previous years, the group did not make any political contributions and charitable donations.

BRANCHES OUTSIDE THE UK

The company has no branches outside the UK.

ACQUISITION OF OWN SHARES

The company did not acquire any of its own shares during the financial year ended 30 June 2026.

EMPLOYEE ENGAGEMENT

Details of how the directors have engaged with employees and how the directors have had regard to employee interests and the effect of that regard, including on the principal decisions taken by the company during the financial year, are included in the section 172 statement contained within the strategic report (refer to **page 20**).

BUSINESS RELATIONSHIPS

Details of how the directors have had regard to the need to foster the company's business relationships with suppliers, customers and others and the effect of that regard, including on the principal decisions taken by the company during the financial year, are included in the section 172 statement contained within the strategic report (refer to **page 20**).

FUTURE DEVELOPMENTS

In addition to the development of the Longonjo project, the directors intend to continue advancing the company's broader growth strategy, including exploration at Coola through the Tyranna farm-in arrangement, which provides an opportunity to explore the wider project area while retaining exposure to potential discoveries and limiting Pensana's future exploration funding commitments. The Company will also continue to evaluate opportunities to move further downstream into rare earth metal and alloy production.

BOARD APPOINTMENTS

There were no new board appointments during the year.

DIRECTORS' REPORT continued

BOARD DIVERSITY DISCLOSURE

As of 30 June 2026, Pensana assessed its board diversity in accordance with the requirements outlined in the QCA Corporate Governance Code. The following are the results of our evaluation:

Gender diversity and senior positions held by women

As at 30 June 2026, Pensana's board of directors consisted of five individuals, of whom one was a female. This represents 20% of the total board composition, under the minimum recommended requirement of at least 40% of individuals on the board being women. Pensana has, therefore, not met this target.

Minority ethnic background

As at 30 June 2026, Pensana's board of directors included no individuals from minority ethnic backgrounds and, therefore, did not meet the requirement of having at least one person from a minority ethnic background on the board.

Non-met targets and reasons

Pensana is committed to promoting diversity and inclusion at all levels of the organisation. However, we regret to report that we have not met the diversity targets in this reporting period as stated above.

With Pensana focusing on establishing an independent supply chain of rare earths, the processes with regard to adherence to diversity targets, recruitment and succession planning with the board of directors are still in the process of being formalised.

We recognise the importance of addressing these gaps and are actively implementing measures to improve board diversity. The board composition and diversity will be evaluated on an ongoing basis and an action plan will be put together to address board diversity, including recruitment strategies.

Pensana remains committed to achieving greater diversity and inclusivity within our board and will provide regular updates on our progress in future reports. By making these disclosures, Pensana demonstrates its commitment to transparency and accountability regarding board diversity, as required by UK company disclosure requirements.

POST BALANCE SHEET EVENTS

The company previously announced the strategic investment by Cascade for US\$165 million, with backing from the State of Qatar, and the confirmation of US\$15 million received to date. While engagement with Cascade and its backers continues, the company has engaged with its major shareholders and entered detailed financing discussions with a view to bringing the Longonjo Mine through commissioning

and into production. During these ongoing engagements, outstanding detailed construction design activities, high-cost site activities and long-term procurement items have been ramped down scaled back until the financing has been finalised. As a consequence, the overall construction schedule is expected to be extended from the previously announced 2028 to late 2028.

In September 2026, the company signed an earn-in agreement with Tyranna Resources for the Coola exploration property, under which US\$2.6 million will be spent over three years, with a view to reducing Pensana's interest to 20% upon completion of the earn-in.

CORPORATE GOVERNANCE STATEMENT

The disclosure guidance and transparency rules require certain information to be included in a corporate governance statement set out in a company's directors' report. In common with many companies, Pensana has an existing practice of issuing, within its annual report, a corporate governance report that is separate from its directors' report. Refer to **page 34** for the corporate governance report.

HEALTH AND SAFETY POLICY

The company is committed to developing a culture which supports the health and safety of all employees, contractors, customers and communities associated with its business and operations.

ENVIRONMENT POLICY

The company is committed to protecting and ensuring it does no harm to the natural environment around the sites on which it operates. Refer to the environmental, social and governance report on **page 44** for further details on the company's environmental initiatives and reporting, as well as relevant statements regarding emissions.

ANTI-SLAVERY AND HUMAN TRAFFICKING

The group is committed to upholding high ethical standards throughout all aspects of its business, as well as respecting and safeguarding the human rights of all its stakeholders. This commitment is based on the belief that business should be conducted honestly, fairly and legally. We expect all employees, suppliers, contractors and other stakeholders to share our commitment to high moral, ethical and legal standards. As the group looks to develop its mine at Longonjo, actions are being taken through the implementation and enforcement of relevant company policies to prevent slavery or human trafficking in our business and supply chain for the current financial year and beyond.

ANNUAL GENERAL MEETING

This report and the financial statements will be presented to shareholders for their approval at the next AGM. The notice of the AGM will be distributed to shareholders during the month of November.

AUDITOR

BDO LLP became the company's auditor with effect from 21 February 2020.

STATEMENT OF DISCLOSURE OF INFORMATION TO THE AUDITOR

As at the date of this report, the serving directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

SHARES UNDER LONG-TERM INCENTIVE SCHEMES, OPTIONS OR ISSUED ON EXERCISE OF OPTIONS

As at the date of this report, there were 8,429,375 LTI awards issued to the executive directors (30 June 2025: 9,933,125).

INDEMNIFICATION OF DIRECTORS AND OFFICERS

During the financial year, the company paid a premium of US\$224,367 in respect of a contract insuring the directors of the company, the company secretary and all executive officers of the company and any related body corporate against a liability incurred by such a director, secretary or executive officer. The company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer of the company or of any related body corporate against a liability incurred by an officer.

DIRECTORS' COMMITTEES

The following sets out the composition of the directors' committees.

Audit and risk committee

S Sharpe
A Saxby

Remuneration and nomination committee

S Sharpe
A Saxby
R Kaplan

ESG committee

T George
A Saxby
S Sharpe

DIRECTORS’ REPORT continued

DIRECTORS’ MEETINGS

The following table sets out the number of directors’ meetings and committee meetings held during the financial year:

	Board meetings		Audit and risk committee		Remuneration and nomination committee		ESG committee	
	Number eligible to attend	Attended	Number eligible to attend	Attended	Number eligible to attend	Attended	Number eligible to attend	Attended
P Atherley	4	4	–	–	–	–	–	–
T George	4	4	–	–	–	–	3	3
R Kaplan	4	4	2	2	2	2	–	–
A Saxby	4	4	2	2	2	2	3	3
S Sharpe	4	4	2	2	2	2	3	3

DIRECTORS’ INTERESTS IN THE COMPANY

The following table sets out each director’s relevant interest in fully paid ordinary shares, performance rights and options in the company at the date of this report:

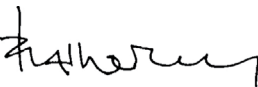
Directors	Fully paid ordinary shares	Share plan awards ¹
P Atherley	14,811,116	2,750,000
T George	3,052,995	3,000,000
R Kaplan	1,210,064	2,500,000
A Saxby	–	–
S Sharpe	–	–

¹ FY2025 LTI share awards.

Short-term bonus awards were granted to executive directors during FY2025 totalling 4,750,000 shares. The short-term bonus awards granted to executive directors have not yet been issued as at 30 June 2026.

Refer to the share awards issued to executive directors table on page 135 and to the shareholdings table on page 74 for more details.

Approval by and signature on behalf of the board:



Paul Atherley
Executive chairman

23 October 2026

AUDIT AND RISK COMMITTEE REPORT

Dear shareholders,

As the chairman of the committee, I am pleased to have this opportunity to summarise some of the key developments during the year, as well as our ongoing responsibilities and objectives.

The audit and risk committee plays a vital role by ensuring that the group has effective and appropriate risk management and internal control systems, backed up by comprehensive financial, governance and reporting functions. As we look to make a further stepped change in the group’s history, with the imminent move towards the main financing and project development in Angola, I will ensure that the audit and risk committee provides the appropriate guidance, governance and oversight to management in order to help facilitate the effective delivery of the projects.

FINANCIAL REPORTING

As part of its role, the committee assessed the audit findings that were considered most significant to the financial statements, including those areas requiring significant judgement and/or estimation. The key areas of consideration during the year were as follows:

GOING CONCERN

Significant progress was made during the period across project construction, procurement, downstream strategy development, strategic financing and offtake arrangements. Regular meetings were held by the committee with management throughout the period as the company continued its transition from project developer to future producer through the advancement of the Longonjo Rare Earth Project in Angola. This included progress updates on the Longonjo construction programme, funding arrangements as well as offtake and market positioning.

The balance sheet position as at 30 June 2026 reflects a significant improvement compared to prior periods, supported by total equity raises to the value of US\$50 million during the period, including US\$10 million as announced in December 2025, the deployment of US\$25 million equity by FSDEA at Ozango subsidiary level as part of the first

tranche of Longonjo equity funding as well as the receipt of US\$15 million in April 2026 under the Cascade investment in Pensana.

Approved funding still to be deployed includes the outstanding US\$150 million from Cascade, of the US\$165 million investment, alongside the proposed US\$160 million Absa debt funding package (U.S. EXIM guaranteed), subject to conditions precedent, which would provide for the construction of the Longonjo Mine, including execution of the recently announced drill programme and HREE recovery facility, and early downstream development initiatives.

While engagement with Cascade and its backers continues, the company has engaged with its major shareholders and entered detailed financing discussions with a view to bringing the Longonjo Mine through commissioning and into production. During these ongoing engagements, outstanding detailed construction design activities, high-cost site activities and long-term procurement items have been scaled back until the financing has been finalised. As a consequence, the overall construction schedule is expected to be extended from the previously announced 2028 to late 2028.

The directors have prepared a cash flow forecast for the period ending 31 December 2027 to support the going concern assessment, including estimated timing and sources of funds to support ongoing operations and project development.

As at 30 June 2026, the uncertainty around going concern is limited to the company’s ability to settle the remaining balance outstanding under the FSDEA bridging loan (US\$8.7 million) as well as the deployment of the remaining funds towards the construction of the Longonjo Rare Earth Mine, currently underway. The board is of the opinion that these uncertainties are sufficiently mitigated based on the staged conversion of the bridging loan as agreed with FSDEA along with existing funding approvals in place to support construction of the Longonjo Rare Earth Mine.

As disclosed in note 3 to the financial statements, a material uncertainty in respect of going concern is considered to exist and the committee evaluated this conclusion and disclosures.

AUDIT AND RISK COMMITTEE REPORT continued

The committee reviewed the cash flow forecasts and strategic plans covering, among others, offtake, financing, strategic collaborations and exploration prepared by management, including the assumptions made. Having considered the cash flow forecast, risks and sensitivity analysis, the committee was satisfied with management’s forecast and judgement that the going concern basis of preparation remained appropriate.

In addition, the committee assessed the disclosures in respect of going concern and concluded that they were appropriate.

IMPAIRMENT ASSESSMENT OF LONGONJO, SALTEND SITE AND RECF

Significant accounting judgements

Impairment indicator assessment of development assets

The ultimate recovery of the value of the development assets as at 30 June 2026 is dependent on the successful development and commercial exploitation of the Longonjo Project.

Judgement was exercised in assessing the extent to which impairment indicators existed as at 30 June 2026 in respect of the Longonjo Project. In forming this assessment, internal and external factors were evaluated. Management determined that no impairment indicators existed having considered the steadiness in rare earth pricing, the Longonjo funding approvals being obtained and the contemplated staged development of Longonjo.

Impairment indicator assessment of assets under construction

The ultimate recovery of the value of the Saltend development assets as at 30 June 2026 is dependent on the successful development and commercial exploitation of the Saltend facility.

Judgement was exercised in assessing the extent to which impairment indicators existed as at 30 June 2026 in respect of the Saltend Project.

In forming this assessment, internal and external factors were evaluated, including the uncertainty around the location of a future rare earth separation facility and whether this will be constructed at Saltend Chemicals Park or an alternative site or jurisdiction. It was concluded that the historical cost incurred as part of infrastructure development at Saltend is subject to impairment due to uncertainty of the location of where management intends to develop such a rare earth separation facility. This resulted in a total impairment charge of US\$5,917,836 consisting of US\$4,477,032 in assets under construction and US\$1,440,804 in intangible assets for cost capitalised specifically relating to the development of the Saltend Project. The remaining costs relating to the development of a rare earth separation facility, as included in Intangible assets, were further subject to an annual impairment assessment.

Impairment test of rare earth separation facility intangibles

The ultimate recovery of the value of the rare earth separation facility intangibles as at 30 June 2026 is dependent on the successful development and commercial exploitation of the Longonjo Mine and metal separation facility.

Judgement was exercised in assessing the extent to which impairment existed as at 30 June 2026 in respect of a separation facility. The balance relates to IP developed as an outcome of various studies. The studies are not beholden to a specific construction site and can be applied in various ways in the development of a rare earth separation facility. In forming this assessment, management performed an impairment assessment based on the feasibility studies of a metal separation facility. The underlying financial model involves estimates regarding commodity prices, production and reserves, operating costs and capital development together with discount rates and demonstrates significant headroom. Management determined that no impairment existed.

Management determined that the financial model is most sensitive towards rare earth commodity prices and discount rates. These sensitivities were performed, in isolation and in combination, and indicate sufficient headroom when comparing the carrying value to the recoverable amount.

In addition, management also considered the impact of key cost drivers, cost of funding and fiscal regime of various jurisdictions currently considered for a separation facility and all scenarios delivered a favourable outcome with available headroom.

The committee reviewed management’s assessment and conclusions and was satisfied with the conclusions reached. In addition, the committee assessed the disclosures in respect of impairment and concluded they were appropriate.

AUDIT TENDERING AND AUDIT EFFECTIVENESS

BDO LLP was first appointed as the external auditor of the group in 2020, when a formal tender was conducted to appoint the new external auditor. During 2024, Ms Jill MacRae took over from Mr Ryan Ferguson as the BDO lead partner following his rotation after being part of the engagement team since 2020. A formal audit tender must be concluded on or before the 2030 audit and the audit and risk committee will continue to review the appropriate timing of such tender.

In accordance with the guidance set out in the Financial Reporting Council’s ‘Practice Aid for Audit Committees’, the assessment of the external audit has not been a separate compliance exercise, or an annual once-off exercise, but rather it has formed an integral part of the audit and risk committee’s activities. This has allowed the audit and risk committee to form its own view on audit quality and on the effectiveness of the external audit process, based on the evidence it has obtained during the year.

TERMS OF REFERENCE

The committee’s terms of reference have been approved by the board and follow published guidelines, which are available from the company secretary. The audit and risk committee currently comprises two directors: Mr Sharpe (chairman) (senior independent non-executive director) and Ms Saxby.

The qualifications of the audit and risk committee members are summarised as follows:

- Mr Sharpe – BA (Hons); and
- Ms Saxby – BEng (Hons).

The audit and risk committee’s prime tasks are to:

- review the scope of the external audit, to receive regular reports from the auditor and to review the half-yearly and annual accounts before they are presented to the board, focusing on accounting policies and areas of management judgement and estimation;
- monitor the controls that are in force to ensure the integrity of the information reported to the shareholders;
- assess key risks and to act as a forum for discussion of risk issues and contribute to the board’s review of the effectiveness of the group’s risk management control and processes;
- act as a forum for discussion of internal control issues and contribute to the board’s review of the effectiveness of the group’s internal control and risk management systems and processes;
- consider each year the need for an internal audit function;
- advise the board on the appointment of the external auditor and rotation of the audit partner every five years, and on their remuneration for both audit and non-audit work, and discuss the nature and scope of their audit work;
- participate in the selection of a new external auditor and agree the appointment when required;
- undertake a formal assessment of the auditor’s independence each year which includes:
 - pre-approval and a review of non-audit services provided to the group and related fees;
 - discussion with the auditor of a written report detailing all relationships with the company and any other parties that could affect independence or the perception of independence;
 - a review of the auditor’s own procedures for ensuring the independence of the audit firm and partners and staff involved in the audit, including the rotation of the audit partner; and
 - obtaining written confirmation from the auditor that, in their professional judgement, they are independent.

MEETINGS

The committee meets and approves (on a round robin basis if needed) the annual and half-year results. These meetings are attended by the external audit partner, chairman, finance director and company secretary. Additional formal meetings are held as necessary.

	Audit and risk committee	
	Number eligible to attend	Attended
S Sharpe	2	2
A Saxby	2	2

During the past year, the committee:

- met with the external auditor and discussed their reports;
- approved the publication of the annual and half-year financial results;
- considered the going concern position of the group and company and the planned equity placings and financing requirements;
- considered and approved the annual review of internal controls;
- considered control environment improvement recommendations by the auditor; and
- decided that due to the size and nature of the operation, there was no current need for an internal audit function.

There were no non-audit-related services performed by the external auditor during the year.

EXTERNAL AUDITOR

BDO LLP held office throughout the year and acts as the external auditor for the group.

AUDIT FEES

Refer to note 27 to the financial statements for detailed disclosure on audit fees. There were no non-audit fees paid during the current or prior year.

S Sharpe

Steven Sharpe
Chairman of the audit and risk committee

23 October 2026

INDEPENDENT AUDITOR’S REPORT

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 30 June 2026 and of the Group's loss and the Group's and the Parent Company's cash flows for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with UK adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Pensana Plc (the 'company') and its subsidiaries (the 'Group') for the year ended 30 June 2026 which comprise of the following:

Group	Parent Company
Consolidated statement of comprehensive income	–
Consolidated statement of financial position	Statement of financial position
Consolidated statement of changes in equity	Statement of changes in equity
Consolidated statement of cash flows	Statement of cash flows

Notes 1 to 28 to the consolidated financial statements including material accounting policy information, and Notes C1 to C8 to the Parent Company financial statements

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards and as regards the Parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group and the Parent Company and we remain independent of the Group and the Parent Company in conducting our audit.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to the going concern section in Note 3 to the financial statements, which indicates that the ability of the Group and the Parent Company to continue as a going concern is dependent on the deployment of the main Longonjo project financing, additional funding for working capital requirements and converting the remaining \$8.7m FSDEA loan facility into equity.

Should the deployment of the remaining project funding not be received, the group and parent company is dependent on securing additional funding. As stated in the going concern section in Note 3, these events or conditions, along with other matters as set forth in the going concern section in Note 3, indicate that material uncertainties exist that may cast significant doubt on the Group's and the Parent Company's ability to continue as going concerns. The financial statements do not include any adjustments that would result if the Group or Parent Company were unable to continue as a going concern. Our opinion is not modified in respect of this matter.

Given the material uncertainties noted above and our risk assessment, we considered going concern to be a key audit matter.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the Directors' assessment of the Group and the Parent Company's ability to continue to adopt the going concern basis of accounting, and in response to the key audit matter included:

- Discussing the potential risks to going concern with the Directors and the Audit and Risk Committee including their assessment of risks and uncertainties associated with the development of the operations in Angola. This included understanding the proposed timeline of the Longonjo project funding and the forecast capital expenditure as part of the ongoing construction;
- Obtaining the Board's paper and associated cash flow forecast in respect of the Directors' assessment of going concern and challenging the key underlying judgements and assumptions. In doing so, we compared forecast operating expenditure to recent actuals and evaluated the extent to which the group's costs were committed, and how this impacted the required timing for the receipt of funding. We evaluated the extent to which forecast cash receipts are committed. In addition, we compared the operating and capital costs in the prior year's forecast to the actual costs incurred to evaluate management's ability to forecast accurately;

- Making inquiries of the Directors regarding the current financing package for the construction of the Longonjo rare earth mine, including the status of the outstanding funding under the arrangements with Cascade Natural Resources and the implications of any delays in its deployment, inspecting agreements and term sheets with Cascade Natural Resources, FSDEA and ABSA, and obtaining written representations regarding the Board's conclusion that sufficient funding will be available to meet the Group's liquidity requirements, including from the current financing package and other funding sources identified by management;
- Reviewing management's mitigation plans by agreeing management plans to supporting documentation and actions taken by management in the past to reduce and manage non-critical operating cash flows, capital spend and creditor payments;
- Inquiring with management and reviewing minutes of Board meetings and Regulatory News Service (RNS) announcements to identify additional matters that could impact the Parent Company and the Group's going concern conclusions;
- Reviewing correspondence in relation to the planned conversion of the remaining US\$8.7m bridging loan facility to equity in order to assess the achievability of the Director's plans to settle the Group's outstanding liabilities; and
- Assessing the completeness and accuracy of disclosures in relation to going concern and whether significant judgements have been appropriately disclosed.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

OVERVIEW

		2026	2025
Key audit matters	1. Going concern	Yes	Yes
	2. Carrying value of metal separation IP	Yes	Yes
	3. Carrying value of the Longonjo development asset	No	Yes
	The carrying value of the Longonjo development asset is no longer considered to be a key audit matter given the sustained increase in rare earth metal pricing and the commencement of main construction at Longonjo in the year.		
Materiality	Group financial statements as a whole \$1.2m (2025: \$810,000) based on 1% (2025: 1%) of total assets		

INDEPENDENT AUDITOR’S REPORT continued

AN OVERVIEW OF THE SCOPE OF OUR AUDIT

Our Group audit was scoped by obtaining an understanding of the Group and its environment, the applicable financial reporting framework and the Group’s system of internal control. We identified and assessed the risks of material misstatement of the Group financial statements including with respect to the consolidation process. We then applied professional judgement to focus our audit procedures on the areas that posed the greatest risks to the group financial statements. We continually assessed risks throughout our audit, revising the risks where necessary, with the aim of reducing the group risk of material misstatement to an acceptable level, in order to provide a basis for our opinion.

Components in scope

Pensana Plc is a Company registered in the UK and listed on the London Stock Exchange. In approaching the audit, we considered how the Group is organised and managed, noting that the Group’s principal activities are centred on the Longonjo Rare Earth Project in Angola and the development of a downstream rare earth processing facility.

Our Group audit scope focused on the two components which comprised the Angolan operating subsidiary and the UK parent company. The components were subject to full scope audits conducted by the Group engagement team using a team with mining sector experience. The remaining components were principally subject to full scope audit of one or more balances or analytical risk assessment procedures, performed by the Group engagement team, with specific procedures performed on any significant balances impacting the Group results.

As part of performing our Group audit, we have determined the components in scope as follows:

	Number of components	
	FY2026	FY2025
Full scope audit [1]	2	2
Full scope audit of one or more balance [2]	2	2
Risk assessment procedures [3]	3	3
	7	7

Scope [1]: Comprises Pensana plc (parent company) and Ozango Minerals S.A (2025: Pensana plc (parent company) and Ozango Minerals S.A.

Scope [2]: Comprises Pensana Metals Ltd and Saltend Magnet Metals (2025: Pensana metals Limited and Saltend Magnet Metals).

Scope [3]: Comprises the remaining components within the Group.

In determining components, we have considered how components are organised within the Group, and the commonality of control environments, legal and regulatory framework, and level of aggregation associated with individual entities. Whilst there is relative commonality of controls across the Group, differences in jurisdictional risk, and the legal and regulatory frameworks under which the entities operate, prevent the further amalgamation of components.

For components in scope, we used a combination of risk assessment procedures and further audit procedures to obtain sufficient appropriate evidence. These further audit procedures included:

- Procedures on the entire financial information of the components where we identified aggregation risk, including performing substantive procedures;
- Procedures on one or more classes of transactions, account balances or disclosures for components where we identified low or no aggregation of risks; and
- Specified audit procedures.

Locations

Pensana Plc’s operations are spread over a number of different geographical locations. Due to the centralisation of financial reporting activities and business processes, our teams worked remotely, holding calls and video conferences with Group and local management teams. This was supplemented by a visit from the RI to the Angolan operating site and offices during the year.

How Climate change affected the scope of our audit

The Group has determined that climate change does not currently have a material impact on its operations. Our work on the assessment of potential impacts of climate-related risks on the Group’s operations and financial statements included:

- Enquiries and challenge of management to understand the actions they have taken to identify climate-related risks and their potential impacts on the financial statements and adequately disclose climate-related risks within the annual report;
- Our own qualitative risk assessment, taking into consideration the sector and jurisdictions in which the Group operates and how these are impacted by climate change; and
- Review of the minutes of Board and Audit and Risk Committee meetings and other papers related to climate change and performed a risk assessment as to how the impact of the Group’s commitment as set out on the Parent Company’s website may affect the financial statements and our audit.

The management disclosures on **page 44** form part of the “Other Information,” rather than the audited financial statements. Our responsibilities in relation to these disclosures are described in the relevant section of this report and our procedures on these disclosures therefore consisted solely of considering whether they are materially inconsistent with the

financial statements or our knowledge obtained from the audit or otherwise appear to be materially misstated.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy,

the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material uncertainty related to going concern section, we have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How the scope of our audit addressed the key audit matter
Carrying value of metal separation IP Refer to Note 3 for details of the accounting policy and Note 4 for the critical accounting estimates and judgements relating to this key audit matter.	At 30 June 2026, the Group held intangible assets on the Statement of Financial Position totalling \$10.2m in relation to metal separation IP, as detailed in Note 10. As the intangible asset is not yet ready for use, management must perform an annual impairment test. The impairment methodology and the preparation of the discounted cash flow models used to perform the impairment test requires management to make critical judgements and estimates regarding rare earth prices, production levels, operating costs and capital expenditure, as well economic variables such as discount rates and the financial impacts of building the separation facility in various different jurisdictions. Given the materiality of the intangible assets in the context of the Group’s Statement of Financial Position, coupled with the judgements and estimates involved in the impairment test, we consider this to be a key audit matter. Our specific procedures included the following: • We engaged an independent auditor’s expert to review management’s impairment methodology, discount rate assumption, the key inputs to the valuation model, and the impact of the uncertainty over the location of the planned rare earth separation facility on the recoverable amount of the IP. • We obtained management’s impairment model and tested the mathematical accuracy and mechanics of the model. • We challenged the key assumptions in the model, such as forecast rare earth commodity pricing, production levels, operating costs and capital expenditure with reference to external evidence, such as market data, and the definitive feasibility study produced by management experts. • We reviewed sensitivity analysis performed by management to determine the impact of building the separation facility in several jurisdictions on the impairment test and challenged the assumptions with reference to market data. • We performed sensitivity analysis on key model inputs to determine the point at which an impairment arose. • We assessed the competence and objectivity of the management experts who were used to inform key estimates and assumptions in the model. • We inquired with management to understand the group’s future plans for the separation facility in the context of the overall business plan. • We assessed the appropriateness of the disclosures included in the financial statements with regards to the requirements of the relevant accounting standards. Key observations: Based on the procedures performed, we found the key judgements and estimates made by management and the Board in assessing the carrying value of intangible assets to be appropriate.

INDEPENDENT AUDITOR’S REPORT

continued

OUR APPLICATION OF MATERIALITY

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	GROUP FINANCIAL STATEMENTS		PARENT COMPANY FINANCIAL STATEMENTS	
	2026 US\$	2025 US\$	2026 US\$	2025 US\$
Materiality	US\$1,200,000	US\$810,000	US\$1,080,000	US\$720,000
Basis for determining materiality	1% of total assets	1% of total assets	1% of total assets, capped at 90% of Group Materiality	1% of total assets, capped at 90% of Group Materiality
Rationale for the benchmark applied	Materiality has been based on total assets as the Group and the Parent Company are in the development phase of their operations and are not generating revenue or making profits. We consider total assets to be one of the principal considerations for users of the financial statements. Parent company materiality was based on the lower of 1% of the Parent Company's total assets and 90% of group materiality, ensuring the materiality remained below Group materiality.			
Performance materiality	US\$900,000	US\$567,000	US\$810,000	US\$504,000
Basis for determining performance materiality	75% (2025: 70%) of materiality. We considered factors such as the expected total value of known and likely misstatements (based on past experience), our knowledge of the Group's internal controls and Management's attitude towards proposed adjustments.		75% (2025: 70%) of materiality. We considered factors such as the expected total value of known and likely misstatements (based on past experience), our knowledge of the Group's internal controls and Management's attitude towards proposed adjustments.	
Rationale for the percentage applied for performance materiality				

Component performance materiality

For the purposes of our Group audit opinion, we set performance materiality for each component of the Group, apart from the Parent Company whose materiality and performance materiality are set out above, based on a percentage of between 53% and 71% (2025: 25% and 62%) of Group materiality dependent on a number of factors including potential significant risks of material misstatements at the component, relative size of components, extent of disaggregation of the financial information across components, control environment and our assessment of the risk of material misstatement of those components. Component performance materiality ranged from \$0.6m to \$0.9m (2025: \$0.2m to \$0.5m).

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of \$60,000 (2025: \$40,000). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

OTHER INFORMATION

The Directors are responsible for the other information. The other information comprises the information included in the document entitled ‘Annual Report’ other than the financial statements and our auditor’s report thereon. Our opinion on the financial statements

does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OTHER COMPANIES ACT 2006 REPORTING

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors’ report	In our opinion, based on the work undertaken in the course of the audit: - the information given in the Strategic report and the Directors’ report for the financial year for which the financial statements are prepared is consistent with the financial statements; and - the Strategic report and the Directors’ report have been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors’ report.
Directors’ remuneration	In our opinion, the part of the Directors’ remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.
Matters on which we are required to report by exception	We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion: - adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or - the Parent Company financial statements and the part of the Directors’ remuneration report to be audited are not in agreement with the accounting records and returns; or - certain disclosures of Directors’ remuneration specified by law are not made; or - we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors’ responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group’s and the Parent Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

AUDITOR’S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Parent Company and management.

INDEPENDENT AUDITOR’S REPORT continued

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

- Based on:
- Our understanding of the Group and the industry in which it operates;
 - Discussion with management and those charged with governance, including the Audit and Risk Committee; and
 - Obtaining an understanding of the Group’s policies and procedures regarding compliance with laws and regulations.

we considered the significant laws and regulations to be UK-adopted international accounting standards, the Listing Rules of the Financial Conduct Authority, the Companies Act 2006, tax legislation in the UK, Australia, Portugal and Angola, mining legislation and environmental legislation.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation, employment laws and the UK Bribery Act 2010.

- Our procedures in respect of the above included:
- Enquiries of management whether there were any litigations and claims;
 - Enquiries of the legal team of the Group and the Parent Company;
 - Review of minutes of meetings of those charged with governance and market announcements for any instances of non-compliance with laws and regulations;
 - Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
 - Review of financial statement disclosures and agreeing to supporting documentation;
 - Involvement of tax specialists in the audit;
 - Review of legal expense accounts to understand the nature of expenditure incurred;
 - Obtaining external confirmations regarding litigation and claims from the Group’s solicitors; and
 - Enquiring with Management and those charged with governance if there are aware of any actual or suspected non-compliance with laws and regulations.

As disclosed in Note 15, we identified a matter relating to the settlement of amounts owed to a creditor through the issue

and subsequent sale of shares under a settlement arrangement entered into during the year. During the course of our audit, we identified that the transaction had been inadvertently entered into outside the powers of the Company and was therefore unlawful. In response to this matter, we performed the following procedures:

- Obtained and reviewed the settlement agreement and related subscription letter to understand the legal form, commercial rationale and overall key terms of the transaction;
- Reviewed the share issuance records and other supporting documentation by agreeing the number of shares allotted and issue price to relevant Companies House filings and market announcements;
- Assessed the key terms of the arrangement, including the issue of shares to the creditor into a company-controlled nominee account and the subsequent sale of those shares to third parties, that the Company owed the sum in question, that it cost the Company no more than that sum, and that the Company suffered no loss and considered whether the accounting treatment appropriately reflected the key terms of the transaction;
- Evaluated management’s accounting treatment, including the recognition and presentation of share capital, share premium and equity reserves, and assessed the adequacy of the related financial statement disclosures;
- Involved accounting and reporting specialists to assess the accounting implications of the arrangement, the adequacy of the related financial statement disclosures and any auditor reporting considerations;
- Challenged management regarding the lawful validity of the transaction and requested that management obtain independent legal advice on the lawfulness of the arrangement and any resulting implications; and
- Evaluated the legal advice obtained by management which concluded that the transaction was unlawful and considered whether the matters identified gave rise to potential misstatements, impairment of assets, provisions, contingent liabilities, director-related matters or other disclosures in the financial statements.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiries with management and those charged with governance, including the Audit and Risk Committee, regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group’s policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.

- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these; and
- Involving our specialist forensics team to support the engagement team in the assessment of potential fraud risks.

Based on our risk assessment, we considered the area most susceptible to fraud to be management override of controls.

Our procedures in respect of the above included:

- Testing journal entries throughout the year which met defined risk criteria, by agreeing to supporting documentation;
- Testing a sample of the residual population of journals not meeting the defined risk criteria by agreeing to supporting documentation;
- Testing a sample of payments to consultants, with a focus on payments associated with licences and permits in Angola;
- Assessing the judgements made by Management when making key accounting estimates and judgements, and challenging Management on the appropriateness of these estimates and judgements, specifically around key audit matters as discussed above;
- Performing detailed reviews of the Group’s year-end adjusting entries and investigating any that appear unusual in their nature or amount to supporting documentation; and
- Performing detailed reviews of the Group’s consolidation entries and investigating any which appear unusual in their nature and agreeing to supporting evidence.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council’s website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor’s report.

OTHER MATTERS WHICH WE ARE REQUIRED TO ADDRESS

Following the recommendation at the Annual General Meeting, we were reappointed by the Board of Directors on 6 March 2026 to audit the financial statements for the period ended 30 June 2026.

Our total uninterrupted period of engagement is 7 years, covering the periods ended 30 June 2020 to 30 June 2026.

Our audit opinion is consistent with the additional report to the Audit and Risk Committee.

USE OF OUR REPORT

This report is made solely to the Parent Company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Parent Company’s members those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

In due course, as required by the Financial Conduct Authority Disclosure Guidance and Transparency Rule 4.1.15R - 4.1.18R, these financial statements will form part of the Electronic Format Annual Financial Report filed on the National Storage Mechanism of the FCA in accordance with DTR 4.1.15R – DTR 4.1.18R. This auditor’s report provides no assurance over whether the Electronic Format Annual Financial Report has been prepared in compliance with DTR 4.1.15R – DTR 4.1.18R.

DocuSigned by:

Jill MacRae

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Jill MacRae (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

London, United Kingdom
23 October 2026

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the financial year ended 30 June 2026

	Note	30 June 2026 US\$	30 June 2025 US\$
Administration expenses	6	(9,923,565)	(7,399,959)
Impairment of non-financial assets		(5,917,836)	–
Impairment reversal of financial assets		(389,760)	552,986
Foreign currency exchange gain/(loss)	6	2,992,372	(4,610,939)
Loss from operations		(13,238,789)	(11,457,912)
Finance income		20,880	–
Finance costs		(838,080)	(40,000)
Loss before income tax		(14,055,989)	(11,497,912)
Income tax	7	–	–
Total loss for the year		(14,055,989)	(11,497,912)
Other comprehensive loss			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation on translation of foreign operations		(2,939,861)	5,625,402
Total comprehensive loss for the year		(16,995,850)	(5,872,510)
Total loss for the year is attributable to:			
Owners of Pensana Plc		(13,509,653)	(11,497,912)
Non-controlling interests		(546,336)	–
		(14,055,989)	(11,497,912)
Total comprehensive loss is attributable to:			
Owners of Pensana Plc		(16,449,514)	(5,872,510)
Non-controlling interests		(546,336)	–
		(16,995,850)	(5,872,510)
Loss per share attributable to owners of Pensana Plc			
Basic (cents per share)	17	(4.16)	(3.95)
Diluted (cents per share)	17	(4.16)	(3.95)

Notes to the financial statements are included on pages 105 to 137.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2026

	Note	30 June 2026 US\$	30 June 2025 US\$
ASSETS			
Non-current assets			
Property, plant and equipment	11	100,726,389	63,708,542
Intangible assets	10	10,977,837	15,019,794
Trade and other receivables	9	–	870,137
Total non-current assets		111,704,226	79,598,473
Current assets			
Cash and cash equivalents	8	5,647,813	811,049
Trade and other receivables	9	5,688,433	1,504,136
Derivative financial assets	9	987,727	–
Total current assets		12,323,973	2,315,185
Total assets		124,028,199	81,913,658
LIABILITIES			
Current liabilities			
Trade and other payables	12	14,986,366	14,227,604
Loans and borrowings	13	8,656,270	17,160,116
Total current liabilities		23,642,636	31,387,720
Non-current liabilities			
Environmental rehabilitation provision	14	111,382	–
Total liabilities		23,754,018	31,387,720
Net assets		100,274,181	50,525,938
EQUITY			
Issued capital and reserves attributable to owners of the parent			
Issued capital	15	445,850	372,767
Share premium	16	113,012,546	73,047,517
Reserves	16	52,206,087	53,428,255
Accumulated losses	16	(75,041,713)	(76,322,601)
		90,622,770	50,525,938
Non-controlling interest	21	9,651,411	–
Total equity		100,274,181	50,525,938

The notes on pages 105 to 137 form part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on 23 October 2026 and are signed on its behalf by:

Signature of Steven Sharpe

Steven Sharpe
Chairman of the audit and risk committee

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the financial year ended 30 June 2026

	Fully paid ordinary shares US\$	Share premium US\$	Accumulated losses US\$	Merger reserve US\$		Foreign currency reserve US\$	Share-based payments reserve US\$	Equity reserve US\$	Warrant reserve ¹ US\$	Total attributable to equity holders of parent US\$	Non- controlling interest US\$	Total equity US\$
Balance as at 1 July 2024	361,440	70,826,007	(65,960,831)	45,748,045		(1,198,621)	1,679,774	(500,000)	–	50,955,814	–	50,955,814
Loss for the year	–	–	(11,497,912)	–		–	–	–	–	(11,497,912)	–	(11,497,912)
Other comprehensive income	–	–	–	–		5,625,402	–	–	–	5,625,402	–	5,625,402
Total comprehensive loss for the year	–	–	(11,497,912)	–		5,625,402	–	–	–	(5,872,510)	–	(5,872,510)
Issue of shares (note 15)	11,327	2,291,890	1,136,142	–		–	(1,141,461)	–	–	2,297,898	–	2,297,898
Capital raising costs	–	(70,380)	–	–		–	–	–	–	(70,380)	–	(70,380)
Share-based payments	–	–	–	–		–	3,215,116	–	–	3,215,116	–	3,215,116
Balance as at 30 June 2025	372,767	73,047,517	(76,322,601)	45,748,045		4,426,781	3,753,429	(500,000)	–	50,525,938	–	50,525,938
Balance as at 1 July 2025	372,767	73,047,517	(76,322,601)	45,748,045		4,426,781	3,753,429	(500,000)	–	50,525,938	–	50,525,938
Loss for the year	–	–	(13,509,653)	–		–	–	–	–	(13,509,653)	(546,336)	(14,055,989)
Other comprehensive income	–	–	–	–		(2,939,861)	–	–	–	(2,939,861)	–	(2,939,861)
Total comprehensive loss for the year	–	–	(13,509,653)	–		(2,939,861)	–	–	–	(16,449,514)	(546,336)	(16,995,850)
Recognition of non-controlling interest since inception	–	–	518,456	–		–	–	–	–	518,456	(518,456)	–
Issue of shares (note 15) ²	73,083	41,324,066	(11,712)	–		–	–	(67,655)	490,739	41,808,521	–	41,808,521
Capital raising costs	–	(1,359,037)	–	–		–	–	–	–	(1,359,037)	–	(1,359,037)
Subscription of shares by ASF Yova (a wholly owned subsidiary of FSDEA) in Ozango ³	–	–	14,283,797	–		–	–	–	–	14,283,797	10,716,203	25,000,000
Share-based payments	–	–	–	–		–	1,294,609	–	–	1,294,609	–	1,294,609
Balance as at 30 June 2026	445,850	113,012,546	(75,041,713)	45,748,045		1,486,920	5,048,038	(567,655)	490,739	90,622,770	9,651,411	100,274,181

¹ Warrants were issued to a UK-based investment house as part of the lending agreements during the period. These warrants were assessed under IAS 32 and determined to meet the fixed-for-fixed criterion. Accordingly, they have been classified as equity instruments and recognised in equity at fair value on initial recognition. Equity-classified warrants are not subsequently remeasured. On 18 December 2025, 474,356 £0.001 fully paid ordinary shares were issued on exercise of the UK-based investment house's warrants as per the contractual agreement. The balance therefore represents the fair value of the August 2025 warrants which have not yet been exercised.

² The issuance of shares includes 4.8 million shares, which have been applied towards the settlement of the Wood contractor balance. It further includes 23.1 million shares issued to FSDEA with the conversion of US\$7.5 million of their loan into equity.

³ Pursuant to receipt by Ozango of US\$25 million by FSDEA, the company's majority ownership in Ozango reduced from 84% to 68.4%. However, as part of the remaining equity to be deployed, it is anticipated that the effective ownership positions will be subject to further change, and as a result Pensana's ownership is expected to increase and this will be communicated to the market accordingly in due course.

Notes to the financial statements are included on pages 105 to 137.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the financial year ended 30 June 2026

	Note	30 June 2026 US\$	30 June 2025 US\$
Cash flows from operating activities			
Operating cash flows	22	(4,603,809)	(2,643,916)
Net cash used in operating activities		(4,603,809)	(2,643,916)
Cash flows from investing activities			
Prepaid property, plant and equipment	11	(4,585,011)	–
R&D tax credit		9,419	258,402
Technical assistance grants received		2,142,887	770,839
Advance payments received		507,542	–
Payments for property, plant and equipment	22	(35,378,524)	(5,846,503)
Payments for intangible assets	22	(8,076,362)	(283,907)
Interest received		20,880	–
Net cash used in investing activities		(45,359,169)	(5,101,169)
Cash flows from financing activities			
Proceeds from short-term debt	13	1,700,000	5,365,861
Repayment of short-term debt		(2,500,000)	–
Proceeds from issues of equity securities, net of share issue costs	15	30,867,021	1,674,782
Proceeds from subscription of shares by ASF Yova (a wholly owned subsidiary of FSDEA) in Ozango		25,000,000	–
Interest paid		(241,277)	–
Net cash generated from financing activities		54,825,744	7,040,643
Net increase/(decrease) in cash and cash equivalents		4,862,766	(704,442)
Cash and cash equivalents at the beginning of the year		811,049	1,515,378
Effects of exchange rate changes on the balance of cash held in foreign currencies		(26,002)	113
Cash and cash equivalents at the end of the year	8	5,647,813	811,049

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 30 June 2026

1. GENERAL INFORMATION

The consolidated financial statements present the financial information of Pensana Plc and its subsidiaries (collectively, the group) for the year ended 30 June 2026 in US dollars. Pensana Plc (the company or the parent) is a public company limited by shares listed on the Main Market of the LSE and incorporated in England and Wales on 13 September 2019. The registered office is located at 107 Cheapside, Second Floor, London, EC2V 6DN, United Kingdom.

The company is focused on rare earth exploration, mining and processing, whose flagship development assets are the Longonjo NdPr Project and the Coola Exploration Project in Angola.

2. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

Changes in accounting policies and disclosures

From 1 July 2025, the group has adopted the following standards and interpretations, mandatory for annual periods beginning on or prior to 1 July 2025.

Lack of exchangeability (Amendment to IAS 21 *The Effects of Changes in Foreign Exchange Rates*)

On 15 August 2023, the International Accounting Standards Board (IASB) issued *Lack of Exchangeability* which amended IAS 21 *The Effects of Changes in Foreign Exchange Rates* (the Amendments). The Amendments introduce requirements to assess when a currency is exchangeable into another currency and when it is not. The Amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency.

These amendments had no effect on the consolidated financial statements of the group or the financial statements of the parent company.

New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the group and the parent company has decided not to adopt early.

The following amendments are effective for the annual reporting period beginning 1 July 2026:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures*); and
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7).

The following standards and amendments are effective for the annual reporting period beginning 1 July 2027:

- IFRS 18 *Presentation and Disclosure in Financial Statements*; and
- IFRS 19 *Subsidiaries without Public Accountability: Disclosures*.

The group is currently assessing the effect of these new accounting standards and amendments.

IFRS 18 *Presentation and Disclosure in Financial Statements*, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS® Accounting Standards including IAS 8 *Basis of Preparation of Financial Statements* (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the consolidated financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

The group does not expect to be eligible to apply IFRS 19.

3. MATERIAL ACCOUNTING POLICIES AND GOING CONCERN

Basis of preparation

The consolidated financial statements of the group are prepared in accordance with UK-adopted international accounting standards. The parent company financial statements have been prepared in accordance with UK-adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006.

NOTES TO THE FINANCIAL STATEMENTS continued

for the financial year ended 30 June 2026

3. MATERIAL ACCOUNTING POLICIES AND GOING CONCERN continued

Basis of preparation continued

The principal accounting policies adopted by the group in the preparation of the financial statements are set out as follows.

The policies have been consistently applied to all the years presented, unless otherwise stated.

The consolidated financial statements are presented in US dollars (US\$) rounded to the nearest dollar.

Basis of measurement

The consolidated financial statements have been prepared on the basis of historical cost, adjusted for the treatment of certain financial instruments, as explained in the accounting policies. Historical cost is generally based on the fair values of the consideration given in exchange for goods and services.

Going concern

The group and parent company financial statements have been prepared on a going concern basis. The directors are of the opinion that the group and the parent company will be able to meet their obligations as and when they fall due for a period of at least 12 months from the date of approval of the financial statements. The going concern assessment of the parent company has been performed as part of the group’s going concern assessment.

As at 30 June 2026, the group was in a net asset position of US\$100.3 million (2025: US\$50.5 million) and net current liabilities position of US\$11.3 million (2025: US\$29.1 million). In addition, the group reported a net loss after income tax of US\$14.1 million (2025: US\$11.5 million) and experienced cumulative net cash outflows from operating and investing activities of US\$50.0 million (2025: US\$7.7 million).

Cash and cash equivalents totalled US\$5.6 million at year-end (2025: US\$0.8 million). Cash and cash equivalents as at the date of approval of these financial statements amounted to US\$1.1 million.

The key risks associated with the group and parent company’s ability to continue as a going concern include receipt of funding for the development of Phase 1 of Longonjo along with ongoing operational costs, working capital and the settlement of existing creditors.

The balance sheet position as at 30 June 2026 reflects an improvement compared to prior periods, with a net current liability position of US\$11.3 million compared to US\$29.1 million as at 30 June 2025. The positive movement of US\$17.8 million from the prior

year is primarily due to net changes in creditors and debtors of US\$12.9 million, driven by the settlement of long-outstanding creditors and the conversion of US\$7.5 million of the FSDEA bridging loan facility to equity, combined with cash available at year-end of US\$5.6 million. The overall increase in the cash position was mainly a result of equity raises to the value of US\$50 million, including US\$10 million as announced in December 2025, the deployment of US\$25 million equity by FSDEA at Ozango subsidiary level as part of the first tranche of Longonjo equity funding as well as the receipt of US\$15 million in April 2026 under the Cascade investment in Pensana.

Approved funding still to be deployed includes the outstanding US\$150 million from Cascade, of the total US\$165 million investment, alongside the proposed US\$160 million Absa debt funding package (U.S. EXIM guaranteed), subject to conditions precedent, which would provide for the construction of Phase 1 of the Longonjo mine, including execution of the recently announced drill programme and HREE recovery facility, early downstream development initiatives and working capital.

As announced on 25 September 2026, while engagement with Cascade and its backers continues, given the delays in receipt of the outstanding US\$150 million funding, the Company has engaged with its major shareholders and entered detailed financing discussions with a view to bringing the Longonjo Mine through commissioning and into production. During these ongoing engagements, outstanding detailed construction design activities, high-cost site activities and long-term procurement items have been scaled back until the financing has been finalised. As a consequence, the overall construction schedule is expected to be extended from the previously announced 2028 to late 2028.

The board also notes that additional alternative sources of funding will be required to support the feasibility studies for increased processing capacity at Longonjo, downstream refining opportunities, as well as test work for the development of the Coola Project orebodies in the event that the grant funding is delayed, or the conditions are not met. It is anticipated that the contemplated financing across the group may include further issues of equity, export credit-backed debt financing and/or issuing a green bond.

The directors have prepared a cash flow forecast for the period ending 30 June 2028 to support the going concern assessment, including estimated timing and sources of funds to support ongoing operations and project development.

3. MATERIAL ACCOUNTING POLICIES AND GOING CONCERN continued

Going concern continued

In assessing the going concern basis of preparation, the directors have also considered the availability of funding and its impact on the progression of Longonjo and downstream expansion. Similarly, the directors have also considered the impact of the ongoing geopolitical landscape, including ongoing global wars, as it relates to availability of funding, costs, marketability of our product and the potential volatility in the debt and equity markets.

The directors consider that there are material uncertainties over going concern as a result of the company’s ability to settle the remaining balance outstanding under the FSDEA bridging loan (US\$ 8.7 million), the deployment of the remaining funds towards the construction of the Longonjo Rare Earth Mine and working capital requirements. Should the deployment of the remaining funds not be received, the group and parent company are dependent on securing additional funding, which is required within the next three months, given the forecast expenditure. These circumstances indicate the existence of material uncertainties which may cast significant doubt on the group’s and the parent company’s ability to continue as a going concern. Therefore, the group and the parent company may be unable to realise their assets and discharge their liabilities in the normal course of business.

The board is of the opinion that these uncertainties are sufficiently mitigated based on the staged conversion of the bridging loan as agreed with FSDEA along with existing funding approvals in place to support construction of the Longonjo Rare Earth Mine. Additionally, if required to maintain liquidity, management could reduce non-critical operating costs and capital spend and manage creditor payments.

The directors have a reasonable expectation that the remaining funds towards the construction of Longonjo will be successfully deployed and the conditions precedent will be met to unlock the debt funding from Absa. Furthermore, the directors have a reasonable expectation that the remaining US\$8.7 million FSDEA loan facility will be converted into equity, and the directors are confident that additional funding will be secured to meet working capital requirements. Therefore, the directors continue to adopt the going concern basis of accounting in preparing the financial statements of the parent company and the group.

The group and the parent company financial statements do not include the adjustments that would result if the group and the parent company were unable to continue as going concerns.

Principles of consolidation

The consolidated financial information comprises the financial statements of Pensana Plc and its subsidiaries as at 30 June 2026.

Subsidiaries are all those entities controlled by the company. Control is achieved when the group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

A list of controlled entities is shown in note 21. Specifically, the group controls an investee if and only if the group has:

- power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

When the group has less than a majority of the voting or similar rights of an investee, the group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement with the other vote holders of the investee;
- rights arising from other contractual arrangements; and
- the group’s voting rights and potential voting rights.

The group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the group loses control of the subsidiary. Income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the group gains control until the date the group ceases to control the subsidiary.

All inter-company balances and transactions between entities in the economic entity, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those policies applied by the parent entity.

Non-controlling interest

On initial recognition, the group has elected to recognise non-controlling interests at the fair value of consideration received for the shares in the investee. Subsequent to initial recognition, non-controlling interest is measured based on the existing ownership interest that the non-controlling interest has in the post-acquisition profits/losses of the investee.

NOTES TO THE FINANCIAL STATEMENTS continued
for the financial year ended 30 June 2026

3. MATERIAL ACCOUNTING POLICIES
AND GOING CONCERN continued

Non-controlling interest continued

The carrying value of non-controlling interest was adjusted to reflect its share in Ozango’s net assets at the recognition date.

The excess of consideration over the non-controlling interest’s share of Ozango’s net assets was recognised in parent company equity.

In the company’s financial statements, investments in subsidiaries are carried at cost less impairments.

Group reconstruction and merger accounting principles

The company was incorporated on 13 September 2019 as a wholly owned subsidiary of Pensana Metals Limited. The company subsequently acquired 100% of the share capital of Pensana Metals Limited and its subsidiary companies for the effective issuance of 152,973,315 shares to the shareholders of Pensana Metals Limited further to the scheme of arrangement approved on 22 January 2020 and completed on 5 February 2020.

Under the Companies Act 2006, the transaction was considered to meet the qualifying criteria for merger relief. Accordingly, shares issued by the company as part of the scheme of arrangement were recorded at nominal value. The difference between the share capital and the investment was recorded in a merger reserve.

Under IAS 27, the investment is measured at cost at the carrying amount of its share of the equity items shown in the separate financial statements of the original parent at the date of the scheme of arrangement i.e. the net asset value of the company acquired as part of the common control transaction. Accordingly, the investment was initially recorded at US\$11,756,018.

Segment information

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity’s chief operating decision-maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

This includes start-up operations which are yet to earn revenues. Management will also consider other factors in determining operating segments, such as the existence of a line manager and the level of segment information presented to the board of directors.

Operating segments have been identified based on the information provided to the chief operating decision-maker, being the executive management team.

Foreign currency translation

Functional and presentation currency

The functional currency of each of the group’s operations is measured using the currency of the primary economic environment in which that entity operates.

The functional currency of the company is British pounds. The functional currency of its Australian subsidiaries is Australian dollars. The functional currency of its Angolan subsidiaries is US dollars and the functional currency of the Portuguese entities is Euro. The presentational currency of the group and parent company is US dollars.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary assets and liabilities are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined. Exchange differences arising on the translation of monetary items are recognised in the statement of comprehensive income. The gain or loss arising from translation of non- monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in equity or profit or loss are also recognised in equity or profit or loss, respectively).

The financial results and position of foreign subsidiaries whose functional currency differs from the group’s presentation currency are translated so that:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period; and
- all resulting exchange differences shall be recognised in other comprehensive income.

Exchange differences arising on translation of foreign operations are transferred directly to the group’s foreign currency translation reserve in the statement of financial position. These differences are recognised in the statement of comprehensive income in the period in which the operation is disposed.

3. MATERIAL ACCOUNTING POLICIES
AND GOING CONCERN continued

Foreign currency translation continued

Transactions and balances continued

Unrealised gains and losses arising on the translation of loans to subsidiaries into the currency in which they are denominated and that are not expected to be repaid in the foreseeable future are treated as part of the net investment in foreign operations.

The unrealised foreign exchange gains and losses attributable to foreign operations are taken directly to the consolidated statement of other comprehensive income and reflected in the foreign currency translation reserve. Such unrealised gains and losses are recycled through the consolidated income statement on disposal of the group’s shares in the entity. Unrealised gains and losses arising on the translation of loans to subsidiaries into the currency in which they are denominated and that are expected to be repaid in the foreseeable future are recognised in the consolidated income statement.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments, with original maturities of less than three months.

Financial instruments

Financial assets

All of the group’s financial assets are measured at amortised cost. Financial assets include trade and other receivables, but exclude prepayments and R&D tax credits.

Financial assets at amortised cost

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are classified and measured subsequently at amortised cost.

Impairment of financial assets

The group recognises an allowance for expected credit losses (ECLs) for other receivables, as well as for inter-company receivables at company level. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

At each reporting date, the group and parent company assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Derivative financial assets

Derivative financial instruments are recognised as financial assets or financial liabilities when the Group becomes party to the contractual provisions of the instrument and are initially measured at fair value.

Subsequent to initial recognition, derivative financial assets are measured at fair value at each reporting date. Derivatives that are not designated as hedging instruments in a qualifying hedging relationship are classified as financial assets at fair value through profit or loss. Gains and losses arising from changes in the fair value of these instruments are recognised in profit or loss in the period in which they arise.

Derivative financial assets are derecognised when the contractual rights to the cash flows expire or when the derivative is otherwise settled or terminated.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities measured at amortised cost using the effective interest method.

Financial liabilities include trade and other payables, advance payments from customers, but exclude corporation tax, social security and other taxes as they are not considered financial instruments.

Trade and other payables

Trade and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the group, prior to the end of the period, that are unpaid and arise when the group and company become obligated to make future payments in respect of the purchase of goods and services. The amounts are unsecured and are usually paid within 30 days of recognition. Payables to related parties are carried at the principal amount. Interest, when charged by the lender, is recognised as an expense on an accrual basis.

Loans and borrowings

All loans and borrowings are initially recognised at fair value less transaction costs and subsequently at amortised cost. Any difference between the proceeds received and the redemption amount is recognised in the income statement over the year of the borrowings using the effective interest method.

3. MATERIAL ACCOUNTING POLICIES
AND GOING CONCERN continued

Financial instruments continued

Financial liabilities continued

Where amounts payable under a borrowing are settled through the issue of the company's own shares, the financial liability is derecognised when the contractual obligation is discharged or cancelled. The shares issued are recognised directly in equity.

Exploration and evaluation expenditure

Exploration and evaluation assets are initially measured at cost. Exploration and evaluation expenditure incurred by or on behalf of the group is accumulated separately for each area of interest. Such expenditure comprises net direct costs and an appropriate portion of related overhead expenditure, but does not include general overheads or administrative expenditure not having a specific connection with a particular area of interest.

Exploration and evaluation costs in relation to separate areas of interest for which rights of tenure are current are capitalised in the year in which they are incurred and carried forward provided that:

- the rights to tenure of the area of interest are current; and
- such costs are expected to be recouped through successful development and exploitation of the area or, alternatively, through its sale; or
- exploration and/or evaluation activities in the area have not yet reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

Once a development decision has been taken based on finalisation of a definitive feasibility study or a bankable feasibility study (or equivalent), all past evaluation expenditure in respect of the area of interest is reclassified as capitalised costs of development within property, plant and equipment. Capitalised development costs have not been depreciated to date; depreciation will commence upon commissioning of the assets and once they are available for use.

Exploration and evaluation assets shall be assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount.

Technical assistance grants

Technical assistance grants are recognised when a drawdown has been made and when the funds have been provided unconditionally.. Grants related to capital expenditure are deferred on the balance sheet and netted off against the development assets and the intangible assets associated with the grants.

R&D tax credits

R&D tax credits are accounted for as government grants rather than income tax. These credits are recognised when reliable estimates of the future benefits have been made and when it is reasonably certain that the tax credit will be received. R&D tax credits related to capital expenditure are deferred on the balance sheet and netted off against the development assets and the intangible assets associated with the grants.

Impairment of property, plant and equipment

The group assesses at each reporting date whether there is an indication that an asset has been impaired and, for exploration and evaluation costs, whether the above carry forward criteria are met.

Where an indicator of impairment is identified and an impairment test is performed, and if the recoverable amount is lower than the carrying amount, an impairment is recorded. The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment exists when the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount. Any impairment losses are recognised in profit or loss. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision is made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is assessed for impairment and the balance is classified as a development asset within property, plant and equipment.

Depreciation and amortisation

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made. Costs are capitalised during construction until commercial levels of production are achieved after which the relevant costs are depreciated. The accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

3. MATERIAL ACCOUNTING POLICIES
AND GOING CONCERN continued

Financial instruments continued

Exploration and evaluation expenditure continued

Accumulated costs in respect of areas of interest are written off or a provision made in the statement of comprehensive income when the above criteria do not apply or when the directors assess that the carrying value may exceed the recoverable amount. The costs of productive areas within property, plant and equipment are depreciated over the life of the area of interest to which such costs relate on the production output basis.

Property, plant and equipment

Plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses. The carrying value of the plant and equipment also includes costs eligible for capitalisation. Other costs relating to plant and equipment are expensed when incurred.

Land and buildings are measured at cost, less accumulated depreciation on buildings.

Development assets and assets under construction are depreciated once commissioning of the assets occurs. Depreciation will be charged over the useful life of the asset.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Asset	Depreciation rate
Motor vehicles	25%
Office equipment	33.33%
Computer equipment	33.33%
Plant and machinery	10%
Buildings	2%

The assets' residual values, useful lives and depreciation methods are reviewed and adjusted, if appropriate, at each financial year-end.

Borrowing costs that are directly attributable to the construction of a qualifying asset are capitalised.

Disposal

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

Intangible assets

Recognition and measurement

Intangible assets are recognised at cost and capitalised when the costs can be measured reliably, and it is probable that there will be future economic benefits. Intangible assets that are deemed to have indefinite lives and intangible assets that are not yet ready for use are not amortised and are tested annually for impairment.

Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Provisions

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Environmental rehabilitation provisions

A provision for restoration and rehabilitation will be recognised when there is a present obligation as a result of exploration and development activities undertaken, it is probable that an outflow of benefits will be required to settle the obligation and the provision can be measured reliably. The estimated future obligations will include the costs of restoring the affected exploration and evaluation areas contained in the group's tenements.

The provision for future restoration will be the best estimate of the present value of the expenditure required to settle the restoration obligation at the reporting date. Future restoration costs will be reviewed annually and any changes in the estimate reflected in the present value of the restoration provision at each reporting date. The initial estimate of restoration and rehabilitation relating to development assets will be capitalised into the cost of the related asset and depreciated on the same basis as the related asset. Changes in the estimate of the provision for restoration and rehabilitation will be treated in the same way, except that the unwinding of the effect of discounting on the provision will be recognised as a finance cost rather than being capitalised into the cost of the related asset.

Warrants

Warrants issued are recognised at fair value on the date of grant. The fair value is measured using the Black-Scholes model. Where a fixed number of warrants are issued, and the exercise price is in the functional currency of the issuer, the warrant fair value is credited to equity. Where the number of warrants is fixed but the exercise price is in a currency other than the functional currency of the issuer, the instrument fails the "fixed-for-fixed" criteria and is recognised as a financial liability at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS continued

for the financial year ended 30 June 2026

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In applying the group's accounting policies, management continuously evaluates judgements, estimates and assumptions based on experience and other factors, including expectations of future events that may have an impact on the group. All judgements, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. Actual results may differ from the judgements, estimates and assumptions. Significant judgements, estimates and assumptions made by management in the preparation of these financial statements are outlined below.

Significant accounting judgements

Accounting for non-controlling interest

Following the conclusion of the US\$25 million ASF Yova investment in Ozango during the year, management recognised the minority shareholding in Ozango for ASF Yova at 16.7% on 31 December 2025, given the substance of the transaction over form. Management believes that the necessary statutory approvals were obtained and, while the administrative procedures are underway to issue the share certificates, management has recognised the 16.7% increase in minorities, as management considers that the minorities are unconditionally entitled to the shareholding, and as confirmed by the minorities as at the year-end. Should the shares not eventually be issued, the payment received from ASF Yova will instead be reclassified to a liability.

Impairment indicator assessment of development assets (note 11)

The ultimate recovery of the value of the development assets as at 30 June 2026 is dependent on the successful development and commercial exploitation of the Longonjo Project.

Judgement was exercised in assessing the extent to which impairment indicators existed as at 30 June 2026 in respect of the Longonjo Project. In forming this assessment, internal and external factors were evaluated. Management determined that no impairment indicators existed having considered the steadiness in rare earth pricing, the Longonjo funding approvals being obtained and the contemplated staged development of Longonjo.

Impairment indicator assessment of assets under construction (note 10)

The ultimate recovery of the value of the Saltend development assets as at 30 June 2026 is dependent on the successful development and commercial exploitation of the Saltend facility.

Judgement was exercised in assessing the extent to which impairment indicators existed as at 30 June 2026 in respect of the Saltend Project.

In forming this assessment, internal and external factors were evaluated, including the uncertainty around the location of a future rare earth separation facility and whether this will be constructed at Saltend Chemicals Park or an alternative site or jurisdiction. It was concluded that the historical cost incurred as part of infrastructure development at Saltend is subject to impairment due to uncertainty of the location of where management intends to develop such a rare earth separation facility.

This resulted in a total impairment charge of US\$5,917,836 consisting of US\$4,477,032 in assets under construction and US\$1,440,804 in intangible assets for cost capitalised specifically relating to the development of the Saltend Project. The remaining costs relating to the development of a rare earth separation facility, as included in Intangible assets, were further subject to an annual impairment assessment.

Impairment indicator assessments of the company's investment in subsidiaries and loans to subsidiaries

The ultimate recovery of the value of the company's investments in subsidiaries and loans to subsidiaries is dependent upon the successful development and commercial exploitation of the Longonjo Project. In assessing whether any impairment of investments or expected credit losses on intercompany loans are required, the directors considered the project economics, future funding arrangements, development timetable and forecast cash flows available for repayment of amounts due to the company.

Whilst uncertainty remains regarding the timing and completion of project financing, the directors concluded that the recoverable amount attributable to the underlying interests significantly exceeds the carrying value of the investments and loans and accordingly no impairment or expected credit loss has been recognised.

Climate change

Management has considered the impact of climate change in preparing these consolidated financial statements. These considerations, which are integral to the group's strategy and operations, were considered in the following areas:

- The judgements involved in the evaluation of indicators of impairment for the group's development assets and assets under construction (note 4); and
- The evaluation of the residual values and economic useful lives of property, plant and equipment (note 11) and intangible assets (note 10).

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY continued

Significant accounting judgements continued

Impairment indicator assessments of the company's investment in subsidiaries and loans to subsidiaries continued

Climate change continued

The effects of climate-related strategic decisions are incorporated into management's judgements and estimates, as these relate to the future cash flow projections underpinning the recoverable amounts of mining interests, when the decisions have been approved by the board, and the implementation of these is likely to occur. The considerations with respect to climate change did not have a material impact on the key accounting judgements and estimates noted above in the current year, however, the emphasis on climate-related strategic decisions, such as a focus on decarbonisation, further electrification and sourcing of renewable power, may have a significant impact in future periods.

Significant accounting estimates and assumptions

Share-based payment transactions (note 25)

The group measures the cost of equity-settled transactions with directors and others by reference to the fair value of the equity instruments at the date on which they are granted. The fair value is determined using a stochastic model to value awards with market-based conditions and a Black-Scholes valuation model for awards that are not subject to market-based performance conditions. These models require estimates for inputs such as share price volatility and TSR. The share-based payment arrangements are expensed on a straight-line basis over the vesting period, based on the group's estimate of shares that will eventually vest. This only relates to non-market vesting conditions, as market conditions are incorporated into the fair value calculation and therefore no subsequent adjustments are made. At each reporting date, vesting assumptions are reviewed to ensure they reflect current expectations and immediately recognise any impact of the revision to original estimates. Judgement is required as to the likelihood of the vesting conditions being met, such as the progress of financing of various projects, the LTIFR, progress of construction of the projects, etc. If fully vested share options are not exercised and expire, then the accumulated expense in respect of these is reclassified to accumulated losses.

Impairment test of rare earth separation facility intangibles (note 10)

The ultimate recovery of the value of the rare earth separation facility intangibles as at 30 June 2026 is dependent on the successful development and commercial exploitation of the Longonjo Mine and metal separation facility.

Judgement was exercised in assessing the extent to which impairment existed as at 30 June 2026 in respect of a separation facility. The balance relates to IP developed as an outcome of various studies. The studies are not beholden to a specific construction site and can be applied in various ways in the development of a rare earth separation facility. In forming this assessment, management performed an impairment assessment based on the feasibility studies of a metal separation facility. The underlying financial model involves estimates regarding commodity prices, production and reserves, operating costs and capital development together with discount rates and demonstrates significant headroom. Management determined that no impairment existed.

Management determined that the financial model is most sensitive towards rare earth commodity prices and discount rates. These sensitivities were performed, in isolation and in combination, and indicate sufficient headroom when comparing the carrying value to the recoverable amount.

In addition, management also considered the impact of key cost drivers, cost of funding and fiscal regime of various jurisdictions currently considered for a separation facility and all scenarios delivered a favourable outcome with available headroom.

NOTES TO THE FINANCIAL STATEMENTS continued

for the financial year ended 30 June 2026

5. OPERATING SEGMENTS

Description of segments

The group has identified its operating segments based on the internal reports that are used by the chief operating decision-maker in assessing performance and determining the allocation of resources.

The group has identified that it has two operating segments, relating to the activities in Angola and the UK. Corporate relates to operations in Australia and Portugal, which consist of corporate and head office-related costs. Any property, plant and equipment included in the Australian and Portuguese entities that relates to Longonjo has been included in the Angolan reporting segment.

	Angola US\$	UK US\$	Corporate US\$	Total US\$
2026				
Non-current assets – opening balance	59,763,506	19,834,967	–	79,598,473
Non-current assets – additions/movements	40,989,681	(8,883,928)	–	32,105,753
Non-current assets – closing balance	100,753,187	10,951,039	–	111,704,226
Current assets	5,485,341	1,594,946	5,243,686	12,323,973
Total assets	106,238,528	12,545,985	5,243,686	124,028,199
Current and non-current liabilities	9,679,054	10,953,450	3,121,514	23,754,018
Total liabilities	9,679,054	10,953,450	3,121,514	23,754,018
Cash and cash equivalents	1,035,213	3,585,581	1,027,019	5,647,813
Administration expenses	(2,583,331)	(7,854,563)	514,329	(9,923,565)
Depreciation	(55,181)	(1,188)	–	(56,369)
Operating loss	(2,154,773)	(12,828,475)	1,744,459	(13,238,789)
Finance income	20,880	–	–	20,880
Finance costs	–	(838,080)	–	(838,080)
Material non-cash items – share-based payments	–	1,294,609	–	1,294,609
Material non-cash items – foreign exchange gains and losses	(428,557)	(2,171,763)	(392,052)	(2,992,372)
Material non-cash items – impairment on non-financial assets	–	(5,917,836)	–	(5,917,836)
Material non-cash items – loss on derivative financial asset	–	(1,094,738)	–	(1,094,738)
Loss before tax	(2,154,773)	(13,666,554)	1,765,338	(14,055,989)
Loss for the year	(2,154,773)	(13,666,554)	1,765,338	(14,055,989)
2025				
Non-current assets – opening balance	53,039,521	17,927,154	–	70,966,675
Non-current assets – additions	6,723,985	1,907,813	–	8,631,798
Non-current assets – closing balance	59,763,506	19,834,967	–	79,598,473
Current assets	884,146	2,264,544	(833,505)	2,315,185
Total assets	60,647,652	22,099,511	(833,505)	81,913,658
Current and non-current liabilities	1,371,717	28,330,874	1,685,129	31,387,720
Total liabilities	1,371,717	28,330,874	1,685,129	31,387,720
Cash and cash equivalents	2,910	800,401	7,738	811,049
Administration expenses	(1,528,158)	(6,368,220)	496,419	(7,399,959)
Depreciation	(32,815)	(3,705)	–	(36,520)
Operating loss	(1,372,280)	(10,438,593)	352,961	(11,457,912)
Finance costs	–	(40,000)	–	(40,000)
Material non-cash items – share-based payments	–	(3,215,116)	–	(3,215,116)
Material non-cash items – foreign exchange gains and losses	155,878	(4,583,358)	(183,459)	(4,610,939)
Loss before tax	(1,372,280)	(10,478,593)	352,961	(11,497,912)
Loss for the year	(1,372,280)	(10,478,593)	352,961	(11,497,912)

Non-current assets consist mainly of development assets, intangible assets and assets under construction. Additions and depreciation of non-current assets are disclosed in note 11.

6. ADMINISTRATION EXPENSES

	CONSOLIDATED	
	2026 US\$	2025 US\$
General administration costs ¹	2,162,762	523,178
Loss on derivative financial asset	1,094,738	–
Audit fees	261,852	213,042
Consultant fees	358,833	360,864
Travel expenses	270,370	122,987
Legal fees	211,390	118,958
Operating lease rental expenses		
Lease payments (short-life leases)	101,487	91,824
Depreciation on non-current assets		
Property, plant and equipment	56,369	36,520
Employee benefits and employee wages and salaries²		
Performance rights and options granted to directors, officers and employees	1,294,609	3,215,116
Directors' fees and employee benefits	3,856,619	2,586,442
Social security costs	254,536	131,028
Total administration expenses	9,923,565	7,399,959

¹ Year-on-year increase principally due to higher brokerage and listing costs arising from the increased equity placement activity during the period. The comparative period also benefited from the write-off of certain accruals, which reduced administrative expenses in the prior year.

² Key management personnel remuneration, disclosed in note 24, includes amounts in employee benefits disclosed above. Information in respect of the highest-paid director is provided in the remuneration report.

The group employed 59 people as at 30 June 2026 (30 June 2025: 55 people). The average number of full-time employees in the group is as follows:

	Average 30 June 2026 Number	Average 30 June 2025 Number
Administration, finance and marketing	15	15
Technical and exploration	8	8
Environmental and governance	1	2
Operations	36	39
Total	60	64

Foreign currency exchange gains/losses

The foreign currency exchange gain of US\$2,992,372 (2025: US\$4,610,939 loss) comprises foreign exchange movements on retranslation of monetary balances and foreign exchange movements on inter-company loans, which are considered repayable in the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS continued
for the financial year ended 30 June 2026

7. INCOME TAXES

	CONSOLIDATED	
	2026 US\$	2025 US\$
Current taxation		
Current tax charge/(credit)	–	–

No liability to corporation tax arose in the ordinary activities for the year ended 30 June 2026 or 30 June 2025.

The tax assessed for the year utilised the standard rate of tax in the UK of 25% (2025: 25%).

The tax for the year is lower (2025: lower) than the loss before tax at the expected tax rate of 25% (2025: 25%). The differences are explained as follows:

	CONSOLIDATED	
	2026 US\$	2025 US\$
Loss from continuing operations before tax	(14,055,989)	(11,497,912)
Loss on continuing activities multiplied by the rate of corporation tax in the UK of 25% (2025: 25%)	(3,513,997)	(2,874,478)
Tax effects of:		
Different tax rates in overseas jurisdictions	7,939	34,439
Amounts which are not deductible ¹	1,876,708	825,676
Unrecognised tax losses	1,467,235	1,939,153
Adjustment in respect of prior years	162,115	75,210
Total tax credit	–	–

¹ The increase in amounts which are not deductible arises as a result of the impairment of non-financial assets recognised in profit or loss.

The taxation benefits of tax losses and temporary differences not brought to account will only be obtained if:

- assessable income is derived of a nature and of an amount sufficient to enable the benefit from the deductions to be realised;
- conditions for deductibility imposed by the law are complied with; and
- no changes in tax legislation adversely affect the realisation of the benefit from the deductions.

The company is subject to 25% income tax in the UK. In Australia, Pensana Metals Limited is subject to a corporation tax rate of 25%. In Portugal, Sable Min Unipessoal Lda and SBLRTHS Unipessoal Lda are subject to a corporation tax rate of 19% (2025: 20%). In Tanzania, all subsidiaries are subject to 30% corporation tax. In Angola, Ozango and Coola Mining are subject to 25% corporation tax.

Longonjo benefits from a six-year tax holiday in Angola from the commencement of production until the exoneration period expires.

No deferred tax asset has been recognised in respect of the tax losses carried forward as the recoverability is dependent on the future profitability of the individual entities within the group. Main construction has recently commenced at Ozango, however, the timing for the application of the available tax losses is still considered uncertain at this stage. The amount of tax losses for which no deferred tax asset was recognised was US\$35,016,698 (30 June 2025: US\$28,467,541).

These unused tax losses do not expire. There are no unused tax credits for which no deferred tax asset is recognised.

8. CASH AND CASH EQUIVALENTS

	CONSOLIDATED	
	2026 US\$	2025 US\$
Cash at bank and on hand	5,647,813	811,049
Total	5,647,813	811,049

9. TRADE AND OTHER RECEIVABLES

	CONSOLIDATED	
	2026 US\$	2025 US\$
Prepayments	4,682,622	193,776
Value added tax (VAT) receivables	728,302	1,493,655
Other receivables	277,509	686,842
	5,688,433	2,374,273
Less: Non-current VAT receivable	–	(870,137)
Total current receivables	5,688,433	1,504,136

Prepayments increased due to down payments made on long-lead capital items for Ozango during the year.

VAT receivables decreased year-on-year, mainly due to an increase in VAT repayments from the Angolan tax authority during the year. There was a once-off write-off of US\$158,507 for Ozango at 31 December 2025, relating to a once-off agreement of the historical VAT balances in the Angolan tax authority system.

Other receivables historically included a payment pending as part of the equity raise completed on 25 June 2021. This has largely been resolved during the year, with one of the shareholders returning 685,000 shares as full settlement of their outstanding amount. The company also received US\$148,249 as partial settlement of the other outstanding amounts. At 30 June 2026, only 79,169 shares remained outstanding (30 June 2025: 765,947 shares outstanding). This resulted in a write-off of the outstanding receivable, as the shares were deemed forfeited.

DERIVATIVE FINANCIAL ASSET

	CONSOLIDATED	
	2026 US\$	2025 US\$
Total	987,727	–

The asset arose as part of the settlement of Wood through a share issue. The shares were issued at £1.20 per share. At 30 June 2026, 808,970 shares remained unsold and were fair valued at period end, using £0.921 per share.

NOTES TO THE FINANCIAL STATEMENTS continued

for the financial year ended 30 June 2026

10. INTANGIBLE ASSETS

	Metal separation IP	Coola exploration and evaluation assets	2026 US\$	2025 US\$
Carrying value				
Balance at the beginning of the year	14,562,880	456,914	15,019,794	13,612,261
Reallocation of grant previously allocated to property, plant and equipment	(257,996)	–	(257,996)	–
Additions	–	292,405	292,405	283,907
Technical grant received	(2,142,887)	–	(2,142,887)	–
Impairment of IP relating to the Saltend Project	(1,440,804)	–	(1,440,804)	–
Adjustment on currency translation	(492,675)	–	(492,675)	1,123,626
Balance at the end of the year	10,228,518	749,319	10,977,837	15,019,794

Costs relating to the metal separation IP were capitalised in respect of a rare earth separation facility and have been classified as intangible assets given their nature, being consulting fees relating to process design and test work.

In the current year it was concluded that the historical cost incurred as part of infrastructure development at Saltend is subject to impairment due to uncertainty of the location of where management intends to develop such a rare earth separation facility. This resulted in an impairment charge of US\$1,440,804 in intangible assets for cost capitalised specifically relating to the development of the Saltend Project, as included in the UK segment (note 3).

The remaining balance, post impairment of the Saltend intangible assets, relates to IP developed as an outcome of various studies. The studies are not beholden to a specific construction site and can be applied in various ways in the development of a rare earth separation facility. In forming the annual impairment assessment, management determined that no additional impairment existed.

The Coola exploration and evaluation assets represent costs of exploration incurred at the Coola Project in Angola, which have been capitalised as an asset in accordance with the accounting policy set out in note 3. The ultimate recoupment of the exploration and evaluation expenditure in respect of the areas of interest carried forward is dependent upon the discovery of commercially viable reserves and the successful development and exploitation of the respective areas or, alternatively, the sale of the underlying areas of interest for at least their carrying value.

11. PROPERTY, PLANT AND EQUIPMENT

	Buildings US\$	Plant and equipment US\$	Development asset US\$	Assets under construction ¹ US\$	Motor vehicles US\$	Office equipment US\$	Computer equipment US\$	Total US\$
2026								
Cost								
Balance as at 1 July 2025	38,526	39,984	59,191,332	4,374,567	216,395	7,983	41,905	63,910,692
Reallocation of grant previously allocated to property, plant and equipment to intangible assets	–	–	–	257,996	–	–	–	257,996
Adjustment on currency translation	–	–	319,678	(156,724)	–	–	(780)	162,174
R&D tax credits	–	–	(9,419)	–	–	–	–	(9,419)
Rehabilitation provision new disturbances	–	–	111,382	–	–	–	–	111,382
Disposals	–	–	–	–	–	–	(10,274)	(10,274)
Additions ³	649,404	157,441	40,049,360	1,193	91,368	34,116	45,480	41,028,362
Balance as at 30 June 2026	687,930	197,425	99,662,333	4,477,032	307,763	42,099	76,331	105,450,913
Depreciation								
Balance as at 1 July 2025	10,068	17,839	–	–	136,579	5,072	32,592	202,150
Charge for the year	1,797	12,775	–	–	32,052	1,863	7,882	56,369
Impairment ²	–	–	–	4,477,032	–	–	–	4,477,032
Adjustment on currency translation	–	–	–	–	–	–	(753)	(753)
Disposals	–	–	–	–	–	–	(10,274)	(10,274)
Balance as at 30 June 2026	11,865	30,614	–	4,477,032	168,631	6,935	29,447	4,724,524
Net book value								
As at 30 June 2025	28,458	22,145	59,191,332	4,374,567	79,816	2,911	9,313	63,708,542
As at 30 June 2026	676,065	166,811	99,662,333	–	139,132	35,164	46,884	100,726,389

¹ Assets under construction relate to groundworks at Saltend Chemicals Park, which have been written off as part of the annual impairment assessment. Refer to note 10 for details.

² Relates to Saltend, as uncertainty remains regarding the location where management intends to develop the metal separation facility. In the current year, it was concluded that the historical cost incurred as part of infrastructure development at Saltend is subject to impairment due to uncertainty of the location of where management intends to develop such a rare earth separation facility. This resulted in an impairment charge of US\$4,477,032 in assets under construction for cost capitalised specifically relating to the development of the Saltend Project.

³ Additions significantly increased during the year, mainly due to the ramp-up in construction at Longonjo and continued investment in the Longonjo Project execution.

NOTES TO THE FINANCIAL STATEMENTS continued
for the financial year ended 30 June 2026

11. PROPERTY, PLANT AND EQUIPMENT continued

	Buildings US\$	Plant and equipment US\$	Develop- ment asset US\$	Assets under construc- tion ¹ US\$	Motor vehicles US\$	Office equipment US\$	Computer equipment US\$	Total US\$
2025								
Cost								
Balance as at								
1 July 2024	38,526	38,467	52,912,614	4,269,553	214,239	7,983	38,298	57,519,680
Adjustment on currency translation	–	–	211,856	363,010	–	–	(282)	574,584
Technical assistance grants received	–	–	(512,843)	(257,996)	–	–	–	(770,839)
R&D tax credits	–	–	(258,402)	–	–	–	–	(258,402)
Additions	–	1,517	6,838,107 ²	–	2,156	–	3,889	6,845,669
Balance as at								
30 June 2025	38,526	39,984	59,191,332	4,374,567	216,395	7,983	41,905	63,910,692
Depreciation								
Balance as at								
1 July 2025	8,304	13,969	–	–	113,366	4,386	25,241	165,266
Charge for the year	1,764	3,870	–	–	23,213	686	6,987	36,520
Adjustment on currency translation	–	–	–	–	–	–	364	364
Balance as at								
30 June 2025	10,068	17,839	–	–	136,579	5,072	32,592	202,150
Net book value								
As at								
30 June 2024	30,222	24,498	52,912,614	4,269,553	100,873	3,597	13,057	57,354,414
As at								
30 June 2025	28,458	22,145	59,191,332	4,374,567	79,816	2,911	9,313	63,708,542

¹ Assets under construction relate to Saltend.
² Interest of US\$964,671 relating to the bridging loan was capitalised during the year.

Refer to note 13 for assets pledged as security. Refer to note 19 for capital commitments for the acquisition of property, plant and equipment.

12. TRADE AND OTHER PAYABLES

	CONSOLIDATED	
	2026 US\$	2025 US\$
Trade and other payables ¹	10,039,613	12,278,293
Accrued expenses	4,715,083	1,906,951
Statutory liabilities	231,670	42,360
	14,986,366	14,227,604

¹ The year-on-year increase in accrued expenses is primarily attributable to the increased level of site activity and the ramp-up of construction at the Longonjo Project. This resulted in higher costs incurred during the period for project-related goods and services that remained accrued at the reporting date, pending receipt of invoices.

13. LOANS AND BORROWINGS

	CONSOLIDATED	
	2026 US\$	2025 US\$
Interest-bearing liabilities (current)		
Bridging loan facility	8,656,270	16,320,116
External loan facility	–	840,000
Total	8,656,270	17,160,116

The company entered into a loan arrangement with FSDEA for US\$15,000,000, drawn in full from August 2023 to February 2025. The original contractual maturity date was 28 February 2024 and the loan bears interest at 2.0% plus 3-month Sterling Overnight Index Average. There were no fees or original issue discount associated with the loan.

The original maturity date was subsequently waived by mutual agreement between the parties. Interest was subsequently waived with effect from 1 May 2025. Management assessed the changes to the contractual terms of the loan in accordance with IFRS 9 *Financial Instruments* and considers that the changes represent a non-substantial modification of the existing financial liability.

On 31 December 2025, US\$7,500,000 of the principal was capitalised into equity, leaving US\$7,500,000 of principal outstanding.

At 30 June 2026, accrued and capitalised interest amounted to US\$1,156,270, resulting in a total outstanding balance of US\$8,656,270.

No further interest was charged or accrued during the year ended 30 June 2026 (30 June 2025: 6.7%).

As at 30 June 2026, there is no fixed contractual maturity date for the remaining balance. Management considers that there is a realistic possibility that the remaining US\$7,500,000 principal and US\$1,156,270 accrued interest may ultimately be capitalised to equity rather than settled through cash repayment.

As no binding agreement requiring the remaining balance to be converted into equity had been concluded as at 30 June 2026, the outstanding balance continues to be recognised as a financial liability.

The group repaid the external loan facility in full during the year. A fixed coupon rate of 5% was payable on the facility. Repayment was initially scheduled for four months following the drawdown, however, the loan was restructured in August 2025 into a new facility, which carried interest at 12% per annum on the outstanding principal amount, to be paid quarterly in arrears. Management viewed this as being a non-substantial modification. The term of the facility was 12 months for each drawdown. The effective interest charged over the term of the loan was 5%.

The company's shareholding in Ozango acts as security for the bridging loan facility from FSDEA.

In terms of the external loan facility, the company charged its shares in its subsidiaries as security for the facility. The charge covered the shares held by the company in Sable Min Unipessoal Lda, SBLRTHS Unipessoal Lda and Saltend Magnet Metals Limited.

NOTES TO THE FINANCIAL STATEMENTS continued
for the financial year ended 30 June 2026

13. LOANS AND BORROWINGS continued
Net debt reconciliation

	Note	CONSOLIDATED	
		2026 US\$	2025 US\$
Cash and cash equivalents	8	5,647,813	811,049
Borrowings		(8,656,270)	(17,160,116)
Net debt		(3,008,457)	(16,349,067)

Liabilities arising from financing activities

	Borrowings US\$	Cash US\$	Total US\$
Net debt as at 1 July 2025	(17,160,116)	811,049	(16,349,067)
Net cash used in operating activities	–	(6,686,274)	(6,686,274)
Net cash used in investing activities	–	(45,359,169)	(45,359,169)
Repayment of loans and borrowings	800,000	(800,000)	–
Capitalisation of interest on borrowings	(37,431)	–	(37,431)
Proceeds from issues of equity securities, net of share issue costs	–	32,949,486	32,949,486
FSDEA bridging loan conversion to equity	7,500,000	–	7,500,000
ASF Yova (wholly owned subsidiary of FSDEA) investment in Ozango	–	25,000,000	25,000,000
Interest paid	241,277	(241,277)	–
Foreign exchange movements	–	(26,002)	(26,002)
Net debt as at 30 June 2026	(8,656,270)	5,647,813	(3,008,457)

A portion of the FSDEA loan facility was converted into equity during the year. There was no interest charged during the year on the remaining FSDEA loan (30 June 2025: 6.7%).

The group settled the external facility in full during the year. A fixed coupon rate of 5% was payable on the facility.

Assets pledged as security

The company’s shareholding in Ozango acts as security for the bridging loan facility from FSDEA.

14. ENVIRONMENTAL REHABILITATION PROVISION

	CONSOLIDATED	
	2026 US\$	2025 US\$
As at 1 July	–	–
Estimates and obligations incurred	111,382	–
Balance at 30 June	111,382	–

The rehabilitation liability has been determined with reference to an independent rehabilitation cost assessment prepared by HCVAfrica, which estimates the expected closure costs for the full mine development in accordance with the approved mine plan and closure requirements.

The resulting rehabilitation provision represents management’s best estimate of the cost required to rehabilitate only those areas disturbed as at 30 June 2026, based on the independent rehabilitation cost assessment from HCVAfrica.

The group measures the provision at the expected value of future cash flows including inflation rates of 2.5% (30 June 2025: n/a), discounted to the present value using a risk free rate of 4.79% (30 June 2025: n/a). Future cash flows are estimated based on estimates of rehabilitation costs and current disturbance levels. The undiscounted real cash flow related to the environmental rehabilitation obligation as of 30 June 2026 was US\$270,137 (30 June 2025: n/a).

15. ISSUED CAPITAL

	2026 Number	2026 US\$	2025 Number	2025 US\$
GROUP AND COMPANY				
Fully paid ordinary shares (£0.001 par value)				
Balance at the beginning of the period	299,171,989	372,767	288,772,873	361,440
Share placement	3,290,476	4,457	1,500,000	1,938
Shares issued	4,828,970	6,483	2,098,223	2,667
Share placement	8,208,750	11,013	2,857,143	3,859
Shares issued	23,148,148	30,989	–	–
Share placement on exercise of warrants				
18 December 2025	474,356	635	–	–
Shares placement	125,000	166	–	–
Shares issued	275,000	379	–	–
Shares issued	13,992,537	18,961	–	–
Correction	–	–	–	(2,457)
Shares issued on STI and LTI awards	–	–	3,943,750	5,320
Balance at the end of the financial year	353,515,226	445,850	299,171,989	372,767

Creditor settlement and share issue

In October 2025, the company and Wood Plc (Wood) entered into a settlement agreement for the full and final settlement of an outstanding balance of £5,794,764 relating to historical invoices, incurred with respect to the Saltend development over the period FY2022 to FY2023. In order to facilitate the final settlement agreement terms, a subscription agreement and a set-off agreement were entered into with Wood, whereby Wood subscribed for 4,828,970 ordinary shares in the company, at a reference price of 120 pence per share, which were then issued into a nominee brokerage account, controlled by the company. These shares represented an aggregate subscription amount of £5,794,764. In accordance with the Settlement Agreement, the subscription price was set off against the amount owed by the company to Wood. Application was made to the FCA for the admission of shares for trading, and the relevant filings were made with the Companies House, alongside disclosure to the market via the RNS dated 9 October 2025.

Under the Settlement Agreement, Wood requested that the company facilitate the sale of the 4,828,970 ordinary shares on Wood’s behalf, subject to a repayment plan requiring full settlement of the outstanding balance by 31 January 2026. Wood was not entitled to participate in any gains or losses arising from the sale of the shares, with the company remaining liable for any shortfall between the proceeds realised from the sale of the shares and the amount owed to Wood. Due to share price volatility and corporate actions, the company was unable to sell all 4,828,970 ordinary shares before the final settlement date of 31 January 2026. In accordance with the Settlement Agreement, the company was therefore required to settle the remaining balance due to Wood in cash. At 30 June 2026, 808,970 shares remained unsold. Post year end, these shares were sold in the open market.

With respect to the accounting treatment, the share capital and share premium arising from the share issue has been recognised in the company’s financial records, at a reference price of 120p. The arrangement under the Settlement Agreement for the company to remain liable for any shortfall (or benefit from any surplus) arising from the disposal of the shares was accounted for as a derivative. A realised loss of US\$795,524 from the sale of 4,020,000 shares during the period at prices below the subscription price of 120 pence per share has been recognised. As a result of the Wood obligation being fully settled at year end the remaining 808,970 unsold shares under the Settlement Agreement were accounted for as a derivative asset. A fair value adjustment (loss) of US\$299,214 was further recognised in the statement of comprehensive income during the period.

Notwithstanding the fact that the above transaction was entered into to facilitate the settlement of a significantly material and long outstanding creditor, review by legal counsel has indicated that the transaction was outside the powers of the company and unlawful. However, given amongst other things the full performance of the transaction, that it cost the company no more than the Wood obligation, that the company settled the amount owed in question, and that it has been accounted for in full, the directors consider that no further steps are required to rectify the situation.

NOTES TO THE FINANCIAL STATEMENTS continued
for the financial year ended 30 June 2026

15. ISSUED CAPITAL continued

Placements during the year ended 30 June 2026

On 10 September 2025, the company issued 2,857,143 £0.001 fully paid ordinary shares to Open Source Capital at a price of £0.35 per share and raised US\$1,354,600. The company also issued 433,333 £0.001 fully paid ordinary shares to Quark Financial Limited for the settlement of equity raising fees.

On 15 October 2025, the company issued 4,828,970 £0.001 fully paid ordinary shares at a price of £1.20 per share. The proceeds of these shares were applied towards the settlement of one of the company's major contractors, Wood.

On 18 December 2025, the company issued 8,208,750 £0.001 fully paid ordinary shares to a consortium of investors at a price of £0.80 per share and raised US\$8,809,185. Of this amount, 6.3 million shares were issued to M&G for US\$6.7 million.

On 18 December 2025, US\$7.5 million of the FSDEA loan was converted into equity by the issuance of 23,148,148 £0.001 fully paid ordinary shares at a price of £0.24 per share.

On 18 December 2025, 125,000 £0.001 fully paid ordinary shares were issued to Quark Financial Limited at the following prices: 50,000 shares at £1.00, 50,000 shares at £1.20 and 25,000 shares at £1.50 as per the contractual obligation with them. On 18 December 2025, 474,356 £0.001 fully paid ordinary shares were issued on exercise of the UK-based investment house's warrants as per the contractual agreement.

On 28 January 2026, 275,000 £0.001 fully paid ordinary shares were issued to Quark Financial Limited for US\$304,119.

On 29 April 2026, 13,992,537 £0.001 fully paid ordinary shares were issued to Cascade Natural Resources Limited for US\$15 million.

Placements during the year ended 30 June 2025

On 19 July 2024, the company issued 1,500,000 £0.001 fully paid ordinary shares to Mr Atherley as settlement of the £250,000 advance made to the company.

On 3 March 2025, the company issued 2,098,223 £0.001 fully paid ordinary shares. 1,850,723 shares were issued to contractors who elected share settlement towards creditor balances to the value of US\$552,735. The balance of 247,500 shares was issued to Mr Kaplan as settlement of advances made by him to the company.

On 10 June 2025, the company issued 2,857,143 £0.001 fully paid ordinary shares to M&G at a price of £0.35 per share and raised US\$1,350,700.

On 23 June 2025, the company issued 1,043,750 £0.001 shares related to the vesting of a portion of the FY2024 LTI executive and management share awards, as well as the short-term incentivisation of management totalling 2,900,000 shares.

16. RESERVES

The following describes the nature and purpose of each reserve within equity:

Reserve	Description and purpose
Fully paid ordinary shares	Represents fully paid ordinary shares in the company of £0.001 par value.
Share premium	Represents the difference between the par value of the shares issued and the subscription or issue price less share issue costs.
Foreign currency reserve	Represents foreign exchange differences arising from the translation of the financial statements of entities in the group denominated in a currency other than US dollars.
Share-based payments reserve	The reserve includes the grant of share options and performance rights to executives, senior employees and consultants. Amounts are transferred out of the reserve and into issued capital when the options, share awards or performance rights are converted to equity. Further information about share-based payments can be found in note 25 to the financial statements.
Equity reserve	This relates to the company's purchase of an additional 14% equity in its Angolan subsidiary company, Ozango, for US\$500,000 from non-controlling interests in FY2019. Ozango holds the title to the Longonjo NdPr Project.

16. RESERVES continued

Reserve	Description and purpose
Warrant reserve	The warrant reserve reflects the warrants issued to lenders, as they meet the definition of equity. Upon issue, the warrants were measured at fair value using a Black-Scholes option pricing model, adjusted for probability of issuance, and are not subsequently remeasured.
Accumulated losses	Cumulative net losses and other adjustments recognised in the statement of comprehensive income.
Merger reserve	The company issued shares at par value as part of a group reorganisation to acquire 100% of the share capital of Pensana Metals. The difference between fair value and par value arising in the group at the date of the group reorganisation is recorded in the non-distributable merger reserve as part of the transaction. The company-level merger reserve represents the difference between the investment and nominal value of shares issued in the scheme of arrangement.

17. LOSS PER SHARE

	2026 cents per share	2025 cents per share
Basic loss per share		
Basic loss per share	4.16	3.95
Diluted loss per share		
Total diluted loss per share	4.16	3.95

Basic loss per share

The net loss and weighted average number of ordinary shares used in the calculation of basic loss per share are as follows:

	2026 US\$	2025 US\$
Net loss attributable to shareholders	(13,509,653)	(11,497,912)
Losses used in the calculation of basic loss per share from continuing operations	(13,509,653)	(11,497,912)
Losses used in the calculation of diluted loss per share attributable to ordinary shareholders	(13,509,653)	(11,497,912)

	2026 Number	2025 Number
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	324,820,023	291,117,481
Weighted average number of ordinary shares for the purpose of calculating diluted loss per share	324,820,023	291,117,481

The weighted average is calculated by adjusting the number of shares outstanding at the beginning of the period by the number of shares issued during the period, multiplied by a time-weighting factor to reflect the proportion of the period for which those shares were outstanding. Diluted loss per share equals basic loss per share. Potential ordinary shares that could dilute basic earnings per share in the future but were anti-dilutive for the year, amounted to 11,284,198 shares (30 June 2025: 6,863,713).

As at year-end, there are no share options in issue (2025: none).

No share awards were issued to employees and management during the year.

18. DIVIDENDS

No dividends were paid or proposed during the current or previous financial years.

NOTES TO THE FINANCIAL STATEMENTScontinued

for the financial year ended 30 June 2026

19. COMMITMENTS FOR EXPENDITURE

The group has certain obligations to perform exploration work and expend minimum amounts of money on mineral exploration tenements.

No provision is required for minimum expenditure requirements in respect of tenements.

Operating leases

The group has entered into leases with Regus Serviced Offices and Parkway Business Centre Limited in the UK, as well as with Workspace in South Africa. The group also has leases in Angola for offices in Luanda and Huambo, as well as a warehouse.

The leases are currently operating on a short-term basis. As the group is expanding, lease commitments have been kept to a minimum as it is likely that bigger premises will be required in the near future, hence the reason for the leases not being extended or are not anticipated to be extended beyond a 12-month period at inception.

There are no restrictions placed upon the lessee by entering into these leases.

	CONSOLIDATED		COMPANY	
	2026 US\$	2025 US\$	2026 US\$	2025 US\$
Operating lease expenditure				
Less than one year ¹	66,574	49,709	61,934	45,248
One to five years	5,422	–	5,422	–
	71,996	49,709	67,356	45,248

¹ The short-term lease commitments that are less than one year have been reviewed under IFRS 16, and the short-term lease exemption has been applied.

Exploration commitments

There were no commitments for payments under exploration permits and mineral leases in existence at the reporting date but not yet incurred (30 June 2025: none).

Capital commitments

Capital expenditure contracted for at the reporting date but not yet incurred was as follows:

	CONSOLIDATED		COMPANY	
	2026 US\$	2025 US\$	2026 US\$	2025 US\$
Capital expenditure	22,107,502	2,502,588	–	–

The expenditure relates primarily to the Longonjo Project in Angola.

20. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The directors are not aware of any other contingent liabilities or contingent assets that are likely to have a material effect on the results of the group as disclosed in these financial statements.

21. SUBSIDIARIES AND NON-CONTROLLING INTERESTS

Name of entity	Country of incorporation	Principal activity	Registered office	OWNERSHIP INTEREST	
				2026 % ¹	2025 % ¹
Parent entity					
Pensana Plc	United Kingdom		107 Cheapside Second Floor London, EC2V 6DN, UK		
Controlled entities					
Saltend Magnet Metals Limited ²	United Kingdom	Manufacturing	107 Cheapside Second Floor London, EC2V 6DN, UK	100	100
Pensana Metals Limited ²	Australia	Mining	202/37 Barrack St Perth WA 6000 Australia	100	100
Carlton Resources Proprietary Limited	Australia	Holding company	202/37 Barrack St Perth WA 6000 Australia	100	100
Carlton Miyabi Tanzania Limited	Tanzania	Holding company	Plot 8, Block 41 Capri Point PO Box 10116 Mwanza – Tanzania	100	100
Carlton Kitongo Tanzania Limited	Tanzania	Holding company	Plot 8, Block 41 Capri Point PO Box 10116 Mwanza – Tanzania	100	100
Bright Star Tanzania Limited	Tanzania	Holding company	Plot 8, Block 41 Capri Point PO Box 10116 Mwanza – Tanzania	100	100
Rift Valley Resources (Africa) Proprietary Limited	Australia	Holding company	202/37 Barrack St Perth WA 6000 Australia	100	100
Rift Valley Resources Tanzania Limited	Tanzania	Holding company	Plot 8, Block 41 Capri Point PO Box 10116 Mwanza – Tanzania	100	100
Tasman Goldfields Australia Operations Proprietary Limited	Australia	Holding company	202/37 Barrack St Perth WA 6000 Australia	100	100
Sable Minerals Proprietary Limited	Australia	Holding company	202/37 Barrack St Perth WA 6000 Australia	100	100
Sable Min Unipessoal Lda (previously Sable Minerals GmbH) ²	Portugal	Holding company	Avenida 5 de Outubro nº 124, 7º Piso Distrito: Lisboa Concelho: Lisboa Freguesia: Avenidas Novas, Portugal	100	100

NOTES TO THE FINANCIAL STATEMENTS continued
for the financial year ended 30 June 2026

21. SUBSIDIARIES AND NON-CONTROLLING INTERESTS continued

Name of entity	Country of incorporation	Principal activity	Registered office	OWNERSHIP INTEREST	
				2026 % ¹	2025 % ¹
SBLRTHS Unipessoal Lda (previously Sable Rare Earths GmbH) ²	Portugal	Holding company	Avenida 5 de Outubro n.º 124, 7.º Piso Distrito: Lisboa Concelho: Lisboa Freguesia: Avenidas Novas, Portugal	100	100
Ozango Minerais SA ³	Angola	Mining	BairroTalatona – Condomínio Dolce Vita Edifício n.º 1B, quinto andar, porta 5B Luanda, Angola	68.4	84
Coola Mining LDA ³	Angola	Exploration	BairroTalatona – Condomínio Dolce Vita Edifício n.º 1B, quinto andar, porta 5B Luanda, Angola	90	90
Mtemi G (Tanzania) Limited	Tanzania	Holding company	Plot 8, Block 41 Capri Point PO Box 10116 Mwanza – Tanzania	100	100
Mtemi O (Tanzania) Limited	Tanzania	Holding company	Plot 8, Block 41 Capri Point PO Box 10116 Mwanza – Tanzania	100	100
Mtemi U (Tanzania) Limited	Tanzania	Holding company	Plot 8, Block 41 Capri Point PO Box 10116 Mwanza – Tanzania	100	100

¹ All shareholdings are held via ordinary shares.
² Shares held directly by Pensana Plc.
³ Pensana Plc is the immediate and ultimate controlling party of the group as at 30 June 2026. During the exploration and development phases on the Longonjo and Coola Projects, the minority shareholders are entitled to free carry. Prior to the distribution of dividends, the group's investment costs in the project will be reimbursed to the group from income generated from the project once free cash flows are established. The parent entity and its controlled entities are not within a tax-consolidated group.

Following the receipt by Ozango of US\$25 million from FSDEA, the company's majority ownership in Ozango decreased from 84% to 68.4%.

21. SUBSIDIARIES AND NON-CONTROLLING INTERESTS continued

Material partly owned subsidiaries

The company's majority ownership in Ozango decreased from 84% to 68.4% on 31 December 2025, as part of the subscription agreement, where Ozango received US\$25 million from FSDEA.

No non-controlling interest was recognised before 31 December 2025.

	2026 US\$	2025 US\$
Accumulated share of (deficit)/equity attributable to material non-controlling interest:		
Ozango	9,651,411	–
Total non-controlling Interest	9,651,411	–
Non-controlling interest		
At 1 July	–	–
Recognition of non-controlling interest since inception	(518,456)	–
Subscription of shares by FSDEA in Ozango – increasing non-controlling interest from 16% to 31.6% on 31 December	10,716,203	–
Share of (loss)/profit	(546,336)	–
At 30 June	9,651,411	–
Profit/(loss) allocated to material non-controlling Interest:		
Ozango	(546,336)	–
Total non-controlling Interest	(546,336)	–

The summarised financial information of subsidiaries with non-controlling interest is provided below. This information is based on amounts before inter-company eliminations.

	2026 US\$	2025 US\$
Ozango		
Statement of comprehensive income		
(Loss)/gain for the year	(2,029,338)	1,302,954
Total comprehensive (loss)/income for the year	(2,029,338)	1,302,954
Summarised statement of financial position		
Current assets	6,515,731	880,579
Non-current assets	85,442,408	45,003,150
Current liabilities	(9,758,950)	(1,348,944)
Non-current liabilities – Pensana	(14,926,369)	(50,436,142)
Non-current liabilities	(111,382)	–

NOTES TO THE FINANCIAL STATEMENTS continued

for the financial year ended 30 June 2026

22. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Reconciliation of loss for the period to net cash flows from operating activities

	CONSOLIDATED	
	2026 US\$	2025 US\$
Net loss	(14,055,989)	(11,497,912)
<i>Add/less non-cash items</i>		
Depreciation	56,369	36,520
Share-based payments	1,294,609	3,215,116
Unrealised foreign exchange (losses)/gains	(2,992,372)	4,610,939
Impairment of non-financial assets	5,917,836	–
Impairment charge/(reversal) of financial assets	389,760	(552,986)
Loss on derivative financial asset	1,094,738	–
VAT written off	158,507	–
Finance income	(20,880)	–
Finance costs – interest and costs associated with lender warrants	838,080	40,000
Decrease in trade and other receivables	722,584	268,266
Increase in trade and other payables	1,992,949	1,236,141
Net cash used in operating activities	(4,603,809)	(2,643,916)

Reconciliation of additions to property, plant and equipment to payments for property, plant and equipment used in investing activities

	Note	CONSOLIDATED	
		2026 US\$	2025 US\$
Additions to property, plant and equipment	11	(41,028,362)	(6,845,669)
Capital items included in working capital ¹		5,649,838	999,166
Payments for property, plant and equipment (cash flow investing activities)		(35,378,524)	(5,846,503)

¹ No interest was capitalised during the year (2025: US\$964,671).

Reconciliation of additions to intangibles to payments for intangible assets used in investing activities

	Note	CONSOLIDATED	
		2026 US\$	2025 US\$
Additions to exploration and evaluation	10	(292,405)	(283,907)
Capital items included in working capital	10	(7,783,957)	–
Payments for intangible assets (cash flow investing activities)		(8,076,362)	(283,907)

23. FINANCIAL INSTRUMENTS

Financial risk management objectives

Senior management and the board monitor and manage the financial risk relating to the operations of the group and company. The group's activities include exposure to market price risk, foreign exchange risk, credit risk, liquidity risk and cash flow interest rate risk. The overall risk management programme focuses on managing these risks and implementing and monitoring controls over the cash management function. Owing to the unpredictability of finance markets, senior management and the board seek to minimise potential adverse effects on financial performance. There have been no substantive changes in the group and company's exposure to financial instrument risks, their objectives, policies and processes for managing these risks or the methods to measure them.

Capital risk management

The group and company manage their capital to ensure that they will be able to continue as a going concern. The group and company also currently use short-term bridging loans as capital (refer to note 13). The group undertakes its exploration and evaluation and development activities through its subsidiaries. None of the group's entities are subject to externally imposed capital requirements.

Market price risk

The group and company are involved in the exploration and development of mining tenements for rare earths. Revenue from any future mining associated with metal sales, the acquisition and disposal consideration for mining tenements and the ability to raise funds through equity and debt will be largely dependent on the commodity price for resources at the time of the transaction. The group actively monitors factors that could impact market prices, including market demand, customer needs and potential new entrants into the rare earth industry. Currently, the group and company have no revenue and debt is charged at a fixed rate.

Interest rate risk

The group and company are exposed to interest rate movements through their short-term bridging loans. Cash deposits with banks and financial institutions are managed by senior management and the board, in accordance with the group and company's internal policy.

The group and company continuously monitor their exposure to interest rates and are comfortable with their exposure given the relatively short term of the bridging loans and interest is being charged at fixed rates.

No interest (2025: US\$964,671) relating to the bridging loan was capitalised during the year. The group also repaid the external loan facility during the year. The effective interest charged over the term of the loan was 5%.

Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to financial loss. The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance sheet date, to recognised financial assets is the carrying amount of those assets, net of any provisions for estimated credit losses, as disclosed in the statement of financial position and notes to the financial statements. The group and company do not have any material credit risk exposure to any single debtor or group of debtors under financial instruments or customer contracts entered into by the group and company, other than cash deposits and the outstanding proceeds due from the June 2021 equity placing as disclosed in note 9. The group and company's internal policy requires deposits to be held with financial institutions holding a benchmark credit rating. At the balance sheet date, the majority of cash and deposits were held with Barclays Bank, which has a Fitch rating of A+ as at period-end.

Financial instruments and cash deposits

Cash deposits with banks and financial institutions are managed by senior management and the board in accordance with the group and company's internal policy. We are exposed to credit risk from our investing activities that include balances with banks and financial institutions of US\$5,647,813 (30 June 2025: US\$811,049). The balance with banks and financial institutions for the company was US\$3,477,246 (30 June 2025: US\$788,062).

NOTES TO THE FINANCIAL STATEMENTS continued
for the financial year ended 30 June 2026

23. FINANCIAL INSTRUMENTS continued

Credit risk management continued

Trade and other receivables

As at 30 June 2026, the group was exposed to trade and other receivables of US\$270,520 (2025: US\$686,844). The company was exposed to trade and other receivables of US\$263,229 (2025: US\$680,536). An impairment analysis is performed at each reporting date by senior management on all trade and other receivable balances. The maximum exposure to credit risk for trade and other receivables at the reporting date is the carrying value of each class of financial asset. In respect of other receivables that were past due by more than 90 days, an estimated credit loss allowance has been recognised based on the estimated lifetime credit loss. Refer to note 9 for further details.

Foreign currency risk

The group and company are exposed to fluctuations in foreign currencies arising from the purchase of goods and services and the holding of assets and liabilities in currencies that are not the functional currency of the relevant group entity. In general, the group does not enter into any material derivatives to manage these currency risks.

As at 30 June 2026, the group had exposure to other foreign currencies, primarily the Australian dollar, British pound and the Angolan kwanza that was not designated in cash flow hedges. In addition, the company also had exposure to the US dollar.

	CONSOLIDATED		COMPANY	
	2026 US\$	2025 US\$	2026 US\$	2025 US\$
Level of exposure of foreign currency risk				
Carrying value of foreign currency balances				
<i>Cash and cash equivalents include balances denominated in:</i>				
Australian dollar	18,606	5,843	678	644
British pound	585,249	779,351		
Angolan kwanza	1,033,148	2,910	–	–
US dollar			2,999,654	20,406
Euro	652	1,358		–
Trade and other receivables include balances denominated in:				
British pound (update)	263,229	674,816		
US dollar			–	–
Angolan kwanza	7,291	6,204	–	–
Trade and other payables include balances denominated in:				
Australian dollar	1,743,993	1,274	–	–
British pound	1,223,728	9,849,270		
Japanese yen	8,584	9,181	8,584	9,181
Euro	12,823	93,767	2,225	51,650
Angolan kwanza	1,477,945	1,128,962	–	–
US dollar			–	–
South African rand	3,210,704	277,343	3,209	(811)

23. FINANCIAL INSTRUMENTS continued

Foreign currency risk continued

The group and company's exposure to foreign currency arises where a company holds monetary assets and liabilities denominated in a currency different to the functional currency of the holder of the instrument, which is the US dollar. The following table shows the impact of a 10% change in the US dollar on profit and equity arising as a result of the retranslation of the group's foreign currency financial instruments.

	GROUP		COMPANY	
	Effect of 10% strengthening of US\$ on net earnings and equity		Effect of 10% strengthening of US\$ on net earnings and equity	
	2026 US\$	2025 US\$	2026 US\$	2025 US\$
Angolan kwanza	43,751	111,985	–	–
British pound	37,525	839,510	7,080	832,945
South African rand	321,070	27,734	321	(81)
Australian dollar	172,539	(457)	(68)	(64)

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the board of directors who have built an appropriate liquidity risk management framework for the management of the group and company's short-, medium- and long-term funding and liquidity management requirements. With reference to the current going concern commentary (note 3), the group will look to manage liquidity risk by maintaining adequate reserves, and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets, expenditure commitments and liabilities.

A portion of the FSDEA loan facility was converted into equity during the year. There was no interest charged during the period on the remaining FSDEA loan (30 June 2025: 6.7%).

The group repaid the external loan facility in full during the year. A fixed coupon rate of 5% was payable on the facility. Repayment was initially scheduled for four months following the drawdown, however, the loan was restructured in August 2025 into a new facility that carries interest at 12% per annum on the outstanding principal amount, to be paid quarterly in arrears. The term of the facility is 12 months for each drawdown.

The company's shareholding in Ozango acts as security for the bridging loan facility from FSDEA.

In terms of the external loan facility, the company charged its shares in its subsidiaries as security for the facility. The charge covered the shares held by the company in Sable Min Unipessoal Lda, SBLRTHS Unipessoal Lda and Saltend Magnet Metals Limited.

NOTES TO THE FINANCIAL STATEMENTS continued
for the financial year ended 30 June 2026

23. FINANCIAL INSTRUMENTS continued

Liquidity risk continued

Maturity profile of financial instruments

The following table details the group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on undiscounted cash flows as at 30 June 2026 and 30 June 2025.

	Less than 1 year US\$	1 to 5 years US\$	5+ years US\$	Total US\$
2026				
GROUP				
Financial liabilities				
Interest-bearing	8,656,270	–	–	8,656,270
Non-interest-bearing	14,754,696	–	111,382	14,866,078
COMPANY				
Financial liabilities				
Interest-bearing	8,656,270	–	–	8,656,270
Non-interest-bearing	16,274,934	–	–	16,274,934
2025				
GROUP				
Financial liabilities				
Interest-bearing	17,160,116	–	–	17,160,116
Non-interest-bearing	14,185,244	–	–	14,185,244
COMPANY				
Financial liabilities				
Interest-bearing	17,160,116	–	–	17,160,116
Non-interest-bearing	25,291,924	–	–	25,291,924

24. KEY MANAGEMENT PERSONNEL COMPENSATION

	CONSOLIDATED	
	2026 US\$	2025 US\$
Short-term employee benefits	1,515,936	2,985,810
Share-based payment charge	767,565	143,009
Total	2,283,501	3,128,819

This includes compensation for two executive directors (2025: two) and five non-executive directors (2025: four). Further details of the key management personnel compensation can be found in the directors' remuneration report.

25. SHARE-BASED PAYMENTS

Options

No share-based options were issued or outstanding during 2026 (2025: none).

Share awards issued to executive directors

The following table shows the deferred shares granted and outstanding at the beginning and end of the year.

	June 2026	June 2025
Opening balance	9,933,125	2,164,375
Granted	–	8,250,000
Vested	(612,500)	(481,250)
Lapsed	(891,250)	–
Closing balance	8,429,375	9,933,125
Weighted average remaining contractual life of the deferred shares outstanding at the end of the year	8.70	9.49

No share awards were issued to executive directors during the year.

2025

Share awards were issued to executive directors in April 2025 as follows.

These awards are subject to four performance conditions, namely:

- full drawdown of the required Longonjo equity funding component for Phase 1, to the satisfaction of the remuneration and nomination committee (30% of award);
- full drawdown of the Longonjo debt component for Phase 1 (30% of award);
- 30% of award on cold commissioning of Longonjo Phase 1 (30% of award); and
- measured annually on the health, safety, security and environment framework (10% of award).

The vesting period for these shares is three years from 1 April 2025. No dividends are attributable during the vesting period.

Refer to the remuneration and nomination committee report on page 68 of this annual report for more details.

The fair value of the share awards issued to executives was calculated using a Black-Scholes pricing model.

The key assumptions used in the models for shares granted during the year ended 30 June 2025 were as follows:

Share awards	1 April 2025
Quantity of shares issued	8,250,000 shares
Fair value of shares issued	US\$2,452,252 (£1,897,000)
Performance period	Three years
Volatility	n/a
Risk-free interest rate	n/a
Dividend yield	0%
Weighted average share price on grant and valuation date	US\$0.30 (£0.23)

Share awards vesting in FY2026

During the year, 40% of the executive FY2024 share awards vested, but had not yet been issued as at 30 June 2026.

NOTES TO THE FINANCIAL STATEMENTS continued
for the financial year ended 30 June 2026

25. SHARE-BASED PAYMENTS continued

Share awards issued to employees

2026

The following table shows the deferred shares granted and outstanding at the beginning and end of the year.

	June 2026	June 2025
Opening balance	6,212,500	1,125,000
Granted	–	5,650,000
Vested	–	(562,500)
Lapsed	(562,500)	–
Closing balance	5,650,000	6,212,500
Weighted average remaining contractual life of the deferred shares outstanding at the end of the year	8.76	8.72

No share awards were issued to employees the year.

2025

Share awards were issued to employees in April 2025 as follows.

These awards are subject to three performance conditions, namely:

- full drawdown of the required Longonjo equity funding component for Phase 1, to the satisfaction of the remuneration and nomination committee (33.3% of award);
- full drawdown of the Longonjo debt component for Phase 1 (33.3% of award); and
- 33.4% of award on cold commissioning of Longonjo Phase 1 (33.4% of award).

The performance period is three years. There are no market-based vesting conditions on the share awards.

The fair value of the share awards is set out below. The share-based payment charge is recognised in profit evenly between the grant and vesting dates. No dividends are attributable during the vesting period. The share awards have a nil exercise price.

The fair value of the share awards issued to employees was calculated using a Black-Scholes pricing model.

The key assumptions used in the models for shares granted during the year ended 30 June 2025 were as follows:

Share awards	1 April 2025
Quantity of shares issued	5,650,000 shares
Fair value of shares issued	US\$1,680,510 (£1,300,000)
Performance period	Three years
Volatility	n/a
Risk-free interest rate	n/a
Dividend yield	0%
Weighted average share price on grant and valuation date	US\$0.30 (£0.23)

Share awards vesting in FY2026

During the year, no share awards vested, and the remaining FY2024 share awards lapsed.

26. RELATED PARTY TRANSACTIONS

Parent entity

The parent entity of the group is Pensana Plc which is incorporated in the UK.

Equity interests in related parties

Details of the percentage of ordinary shares held in subsidiaries are disclosed in note 21 to the financial statements.

Transactions with key management personnel and related parties

The aggregate compensation made to key management personnel is disclosed in note 6 to the financial statements, and details of the compensation have been provided in the remuneration report which forms part of the directors' report.

During the previous year, Mr Kaplan provided funding to the company under the facility. The facility carries interest at a rate of 3.75% and can be settled through cash repayment or the issuance of new shares to Mr Kaplan, at the company's discretion. During the period, the company settled a portion of the facility through cash repayments. The net amount owing to Mr Kaplan at 30 June 2026 was £272,213 (2025: £291,831).

During the period, US\$7.5 million of the FSDEA loan was converted into equity in Ozango SA. The loan balance owed to FSDEA at 30 June 2026 was US\$8,656,270 (30 June 2025: US\$16,320,116).

During the year FSDEA, through its wholly owned subsidiary ASF Yova Mining Holding Limited, subscribed for a 16.7% shareholding in Ozango SA (the holder of Longonjo mining licence) as part of a US\$25 million investment towards the Longonjo Phase 1 construction programme.

During the year, the company transacted with three companies in which Mr Atherley is a director and shareholder.

- Transactions with Selection Capital Investments Limited amounted to £270,313 (2025: £53,438) during the year and related to the provision of advisory fees. There were no balances owed at 30 June 2026 (30 June 2025: nil) to the company.
- Transactions with Alkemy Capital Investments Plc during the year amounted to £573 (2025: nil) and related to the recharge of meeting room booking costs. The company was owed £15,923 at 30 June 2026 (30 June 2025: £15,350). Outstanding balances are unsecured and are payable in cash.
- Transactions with Tees Valley Lithium Limited amounted to £213 (2025: £285) and the balance owed to the company for administrative work was £2,038 at 30 June 2026 (30 June 2025: £1,540). Outstanding balances are unsecured and are payable in cash.

27. FEES PAYABLE TO BDO LLP FOR THE AUDIT OF THE PARENT COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS

	CONSOLIDATED	
	2026 US\$	2025 US\$
Fee payable to BDO LLP as the company's external auditor for the audit of the company's annual financial statements	261,852	213,042

There are no fees payable to BDO LLP in respect of the audit of subsidiaries, audit-related assurance services, tax services, or other non-audit services (2025: none).

28. SUBSEQUENT EVENTS

The company previously announced the strategic investment by Cascade for US\$165 million, with backing from the State of Qatar, and the confirmation of US\$15 million received to date. While engagement with Cascade and its backers continues, the company has engaged with its major shareholders and entered detailed financing discussions with a view to bringing the Longonjo Mine through commissioning and into production. During these ongoing engagements, outstanding detailed construction design activities, high-cost site activities and long-term procurement items have been ramped down scaled back until the financing has been finalised. As a consequence, the overall construction schedule is expected to be extended from the previously announced 2028 to late 2028.

In September 2026, the company signed an earn-in agreement with Tyranna Resources for the Coola exploration property under which US\$2.6 million will be spent over three years, with a view to diluting Pensana's interest to 20% upon completion of the earn-in.



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COMPANY STATEMENT
OF FINANCIAL POSITION

for the financial year ended 30 June 2026

	Note	30 June 2026 US\$	30 June 2025 US\$
ASSETS			
Non-current assets			
Investment in subsidiaries	C3	14,215,775	14,713,547
Trade and other receivables	C2	88,603,541	73,362,870
Property, plant and equipment	C5	721,541	4,776,820
Intangible assets	C6	9,207,187	13,505,785
Total non-current assets		112,748,044	106,359,022
Current assets			
Cash and cash equivalents	C1	3,477,246	788,062
Trade and other receivables	C2	595,242	976,871
Derivative financial assets	C2	987,727	–
Total current assets		5,060,215	1,764,933
Total assets		117,808,259	108,123,955
LIABILITIES			
Current liabilities			
Trade and other payables	C4	16,436,268	25,729,501
Loans and borrowings	13	8,656,270	17,160,116
Total current liabilities		25,092,538	42,889,617
Total liabilities		25,092,538	42,889,617
Net assets		92,715,721	65,234,338
Equity			
Issued capital	15	445,850	372,767
Share premium	16	113,012,546	73,047,517
Reserves	16	19,283,826	20,466,456
Accumulated losses	16	(40,026,501)	(28,652,402)
Total equity		92,715,721	65,234,338

The notes to the financial statements, included on pages 144 to 148, form an integral part of these financial statements.

The company's loss for the financial year was US\$11.4 million (2025: US\$10.3 million). The company has taken advantage of the section 408 exemption in the Companies Act 2006 not to present a separate statement of comprehensive income.

The financial statements were approved by the board of directors and authorised for issue on 23 October 2026 and are signed on its behalf by:

Steven Sharpe

Steven Sharpe
Chairman of the audit and risk committee

Registered number: 12206525. Pensana Plc (the company) is incorporated in the UK, registered in England and Wales and domiciled in the UK.

COMPANY STATEMENT
OF CASH FLOWS

for the financial year ended 30 June 2026

	Note	30 June 2026 US\$	30 June 2025 US\$
Cash flows from operating activities			
Operating cash flows	C8	(6,665,945)	(1,449,674)
Net cash used in operating activities		(6,665,945)	(1,449,674)
Cash flows from investing activities			
Technical assistance grants received		2,142,887	770,839
Advance payments received		507,542	–
Funding of group companies		(14,742,898)	(5,597,022)
Payments for property, plant and equipment	C8	(563,371)	(719,292)
Payments for intangible assets	C9	(7,788,860)	623,053
Net cash used in investing activities		(20,444,700)	(4,922,422)
Cash flows from financing activities			
Proceeds from issues of equity, net of issue costs		30,867,021	1,674,783
Proceeds from short-term debt		1,700,000	5,365,861
Repayment of short-term debt		(2,500,000)	–
Interest paid		(241,277)	–
Net cash generated from financing activities		29,825,744	7,040,644
Net increase in cash and cash equivalents		2,715,099	668,548
Cash and cash equivalents at the beginning of the year		788,062	118,655
Effects of exchange rate changes on the balance of cash held in foreign currencies		(25,915)	859
Cash and cash equivalents at the end of the year	C1	3,477,246	788,062

The notes to the financial statements, included on pages 144 to 148, form an integral part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

for the financial year ended 30 June 2026

	Issued share capital US\$	Share premium US\$	Accumulated losses US\$	Merger reserve US\$	Warrants reserve ¹ US\$	Equity reserve US\$	Foreign currency reserve US\$	Share-based payments reserve US\$	Total US\$
Opening balance as at 1 July 2024	361,440	70,826,007	(19,526,853)	11,557,230	–	–	168,295	1,541,767	64,927,886
Loss for the year	–	–	(10,261,691)	–	–	–	–	–	(10,261,691)
Other comprehensive income	–	–	–	–	–	–	5,125,509	–	5,125,509
Total comprehensive loss for the year	–	–	(10,261,691)	–	–	–	5,125,509	–	(5,136,182)
Issue of shares (note 15)	11,327	2,291,890	1,136,142	–	–	–	–	(1,141,461)	2,297,898
Capital raising costs	–	(70,380)	–	–	–	–	–	–	(70,380)
Share-based payments	–	–	–	–	–	–	–	3,215,116	3,215,116
Balance as at 30 June 2025	372,767	73,047,517	(28,652,402)	11,557,230	–	–	5,293,804	3,615,422	65,234,338
Opening balance as at 1 July 2025	372,767	73,047,517	(28,652,402)	11,557,230	–	–	5,293,804	3,615,422	65,234,338
Loss for the year	–	–	(11,362,387)	–	–	–	–	–	(11,362,387)
Other comprehensive income	–	–	–	–	–	–	(2,900,324)	–	(2,900,324)
Total comprehensive loss for the year	–	–	(11,362,387)	–	–	–	(2,900,324)	–	(14,262,711)
Issue of shares (note 15) ²	73,083	41,324,066	(11,712)	–	490,739	(67,654)	–	–	41,808,522
Capital raising costs	–	(1,359,037)	–	–	–	–	–	–	(1,359,037)
Share-based payments	–	–	–	–	–	–	–	1,294,609	1,294,609
Balance as at 30 June 2026	445,850	113,012,546	(40,026,501)	11,557,230	490,739	(67,654)	2,393,480	4,910,031	92,715,721

¹ Warrants were issued to a UK-based investment house as part of the lending agreements during the period. These warrants were assessed under IAS 32 and determined to meet the fixed-for-fixed criterion. Accordingly, they have been classified as equity instruments and recognised in equity at fair value on initial recognition. Equity-classified warrants are not subsequently remeasured. On 18 December 2025, 474,356 £0.001 fully paid ordinary shares were issued on exercise of the UK-based investment house's warrants as per the contractual agreement. The balance therefore represents the fair value of the August 2025 warrants which have not yet been exercised.

² The issuance of shares includes 4.8 million shares which have been applied towards the settlement of the Wood contractor. It further includes 23.1 million shares issued to FSDEA with the conversion of US\$7.5 million of their loan into equity.

The notes to the financial statements, included on **pages 144 to 148**, form an integral part of these financial statements.

NOTES TO THE COMPANY FINANCIAL STATEMENTS

for the financial year ended 30 June 2026

BASIS OF PREPARATION

The basis of preparation for the Pensana Plc company financial statements is set out within the consolidated financial statements.

The company's results are presented in US dollars, the presentation currency of the group, and are rounded to the nearest dollar.

Material accounting policies, new accounting pronouncements and going concern

The accounting policies applied, new accounting pronouncements and going concern are consistent with those adopted and disclosed in the group financial statements for the year ended 30 June 2026. Refer to note 4 Critical accounting judgements and key sources of estimation uncertainty of the company's investment in subsidiaries and loans to subsidiaries, for details of the impairment indicator assessments performed.

Information included in the notes to the consolidated financial statements

The following information has also been included in the notes to the consolidated financial statements as disclosed above:

Note 15 – Issued capital	Note 24 – Key management personnel compensation
Note 16 – Reserves	Note 25 – Share-based payments
Note 19 – Commitments for expenditure	Note 27 – Fees payable to BDO LLP for the audit of the parent company and consolidated financial statements
Note 20 – Contingent liabilities and contingent assets	Note 28 – Subsequent events
Note 23 – Financial instruments	

C1. CASH AND CASH EQUIVALENTS

	30 June 2026 US\$	30 June 2025 US\$
Cash at bank and on hand	3,477,246	788,062
Total	3,477,246	788,062

C2. TRADE AND OTHER RECEIVABLES

	2026 US\$	2025 US\$
Current		
Prepayments	97,611	191,957
VAT receivables	227,521	104,378
Other receivables	270,110	680,536
	595,242	976,871
Non-current		
Amounts owed by group undertakings	88,603,541	73,362,870
Total	89,198,783	74,339,741

C2. TRADE AND OTHER RECEIVABLES continued

Balances with subsidiaries at year-end were:

	30 June 2026 US\$	30 June 2025 US\$
Total inter-company balances	88,603,541	73,362,870

Amounts owed by group undertakings are unrestricted and payable on demand, but the directors do not anticipate that they will be paid within 12 months and, therefore, have classified them as non-current. As part of the company's going concern assessments, the directors have assessed the ECLs, the viability of the project considered alongside the macro environment reviewed and evidenced no need for adjusting the carrying value of the company's loan receivables. Refer to note 4 Significant accounting judgements for the impairment indicator assessments performed.

Pensana Plc is the immediate and ultimate controlling party of the group as at 30 June 2026. Refer to note 21 to the consolidated financial statements.

The increase in amounts owed by group undertakings was the result of the increase in funds being advanced to subsidiaries for the development of the group's projects, in particular, Longonjo.

DERIVATIVE FINANCIAL ASSET

	30 June 2026 US\$	30 June 2025 US\$
Total	987,727	–

The asset arose as part of the settlement of Wood through a share issue. The shares were issued at £1.20. At 30 June 2026, 808,970 shares remained unsold and were fair valued at period end, using 0,921 per share.

C3. INVESTMENTS IN SUBSIDIARIES

Investments of US\$14.2 million (30 June 2025: US\$14.7 million) represent the parent company's investment in subsidiary companies as at year-end. Investments in subsidiaries are stated at cost less, where appropriate, provisions for impairment.

	30 June 2026 US\$	30 June 2025 US\$
Opening balance	14,713,547	13,560,586
Adjustment on currency translation	(497,772)	1,152,961
Closing balance	14,215,775	14,713,547

C4. TRADE AND OTHER PAYABLES

	30 June 2026 US\$	30 June 2025 US\$
Inter-company loan payable to Pensana Metals	14,153,232	14,648,814
Trade payables	1,240,962	9,833,320
Statutory liabilities	408,025	439,605
Accrued expense	634,049	807,762
Total	16,436,268	25,729,501

The significant decrease in trade payables during the period was due to the settlement of the Wood creditor balances of US\$7.6 million.

NOTES TO THE COMPANY FINANCIAL STATEMENTS continued

for the financial year ended 30 June 2026

C5. PROPERTY, PLANT AND EQUIPMENT

	Development asset US\$	Assets under construction ¹ US\$	Computer equipment US\$	Total US\$
2026				
Cost				
Balance as at 1 July 2025	896,662	3,879,443	22,243	4,798,348
Reallocation of grant to intangible assets	–	257,996	–	257,996
Additions	–	1,193	7,857	9,050
Disposals	(135,090)	–	(9,437)	(144,527)
Adjustment on currency translation	(47,685)	(139,974)	(752)	(188,411)
Balance as at 30 June 2026	713,887	3,998,658	19,911	4,732,456
Depreciation				
Balance as at 1 July 2025	–	–	21,528	21,528
Charge for the year	–	–	893	893
Disposals	–	–	(9,437)	(9,437)
Impairment ²	–	3,998,658	–	3,998,658
Adjustment on currency translation	–	–	(727)	(727)
Balance as at 30 June 2026	–	3,998,658	12,257	4,010,915
Net book value				
As at 30 June 2026	713,887	–	7,654	721,541
As at 30 June 2025	896,662	3,879,443	715	4,776,820
2025				
Cost				
Balance as at 1 July 2024	437,829	3,813,227	20,500	4,271,556
Additions	934,450	–	–	934,450
Technical assistance grants received	(512,843)	(257,996)	–	(770,839)
Adjustment on currency translation	37,226	324,212	1,743	363,181
Balance as at 30 June 2025	896,662	3,879,443	22,243	4,798,348
Depreciation				
Balance as at 1 July 2024	–	–	16,692	16,692
Charge for the year	–	–	3,417	3,417
Adjustment on currency translation	–	–	1,419	1,419
Balance as at 30 June 2025	–	–	21,528	21,528
Net book value				
As at 30 June 2024	437,829	3,813,227	3,808	4,254,864
As at 30 June 2025	896,662	3,879,443	715	4,776,820

¹ Assets under construction relate to Saltend.
² Relates to Saltend, as uncertainty of the location where management intends to develop such a metal separation facility exists.

In the current year, it was concluded that the historical cost incurred as part of infrastructure development at Saltend is subject to impairment due to uncertainty of the location of where management intends to develop such a rare earth separation facility. This resulted in an impairment charge of US\$3,998,658 in assets under construction for cost capitalised, specifically relating to the development of the Saltend Project.

C6. INTANGIBLE ASSETS

	2026 US\$	2025 US\$
Metal separation IP		
Carrying value		
Balance at the beginning of the year	13,505,785	12,447,465
Reallocation of grant previously allocated to property, plant and equipment	(257,996)	–
Technical grants received	(2,142,887)	–
Impairment ¹	(1,440,804)	–
Adjustment on currency translation	(456,911)	1,058,320
Balance at the end of the year	9,207,187	13,505,785

¹ Relates to Saltend, as uncertainty of the location where management intends to develop such a metal separation facility exists.

In the current year, it was concluded that the historical cost incurred as part of infrastructure development at Saltend is subject to impairment due to uncertainty of the location of where management intends to develop such a rare earth separation facility. This resulted in an impairment charge of US\$1,440,804 in intangible assets for cost capitalised, specifically relating to the development of the Saltend Project.

The remaining balance, post impairment of the Saltend Intangible assets, relates to IP developed as an outcome of various studies. The studies are not beholden to a specific construction site and can be applied in various ways in the development of a rare earth separation facility. In forming the annual impairment assessment, management determined that no additional impairment existed.

C7. EMPLOYEE COSTS

	2026 US\$	2025 US\$
Short-term employee benefits	2,263,780	2,367,566
Share-based payments	1,294,609	3,215,116
Total	3,558,389	5,582,682

The company employed 16 people as at 30 June 2026 (30 June 2025: 14 people).

C8. NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of loss for the period to net cash flows from operating activities

	30 June 2026 US\$	30 June 2025 US\$
Net loss before tax	(11,362,387)	(10,261,691)
<i>Add/less non-cash items</i>		
Depreciation	893	3,417
Share-based payments	1,294,609	3,215,116
Impairment reversal of financial assets	389,760	(552,986)
Impairment charge of non-financial assets	5,439,462	–
Loss on derivative financial asset	1,094,738	–
Foreign exchange (gains)/losses	(2,746,201)	3,362,546
(Increase)/decrease in trade and other receivables	(8,131)	464,408
Interest accrued	201,277	40,000
Increase in trade and other payables	(969,965)	2,279,516
Net cash used in operating activities	(6,665,945)	(1,449,674)

NOTES TO THE COMPANY FINANCIAL STATEMENTS continued
for the financial year ended 30 June 2026

C8. NOTES TO THE STATEMENT OF CASH FLOWS continued
Reconciliation of property, plant and equipment for the period to net cash flows from investing activities

	Note	CONSOLIDATED	
		2026 US\$	2025 US\$
Additions to property, plant and equipment	C5	(9,050)	(934,450)
Capital items included in working capital ¹		(554,321)	215,158
Payments for property, plant and equipment (cash flow investing activities)		(563,371)	(719,292)

¹ Includes no interest capitalised (2025: US\$964,671).

C9. NOTES TO THE STATEMENT OF CASH FLOWS continued
Reconciliation of intangible assets for the period to net cash flows from investing activities

	Note	CONSOLIDATED	
		2026 US\$	2025 US\$
Additions to intangible assets	C5	–	–
Capital items included in working capital		(7,788,860)	623,053
Payments for intangible assets (cash flow investing activities)		(7,788,860)	623,053

ABBREVIATIONS

°C	Degrees Celsius	G	Gramme
£	British pound	GBP	British pound
ABGM	A&B Global Mining Proprietary Limited	GHG	Greenhouse gas
Absa	Absa Bank Limited	GISTM	Global Industry Standard on Tailings Management
AFC	Africa Finance Corporation	GW	Gigawatt
AGM	Annual general meeting	HPP	Hydroelectric power plant
AIM	The London Stock Exchange's international market for smaller growing companies (formerly known as the Alternative Investment Market)	HR	Human resources
ASF Yova	ASF Yova Mining Holding Limited	HREE	Heavy rare earth element
ASX	Australian Securities Exchange	HREO	Heavy rare earth oxide
AUD	Australian dollar	HSSE	Health, Safety, Social and Environmental
Blueprint	Pensana Blueprint for Sustainable Rare Earths	IAS	International Accounting Standard
Bt	Billion tonnes	IASB	International Accounting Standards Board
Cascade	Cascade Natural Resources Limited	ICMM	International Council on Mining and Metals
CEO	Chief executive officer	IEA	International Energy Agency
CMIP6	Coupled Model Intercomparison Project	IFC	International Finance Corporation
Coola	Coola Mining Lda	IFRS	IFRS® Accounting Standards
DFC	US International Development Finance Corporation	IP	Intellectual property
DRC	Democratic Republic of the Congo	ISAs UK	International Standards on Auditing (UK)
DyO	Dysprosium oxide	ISO	International Organization for Standardization
DyTb	Dysprosium-terbium	JORC	2012 Australasian Code for Reporting of Mineral Resources and Ore Reserves
DyTbO	Dysprosium-terbium oxide	km	Kilometre
ECL	Expected credit loss	KPI	Key performance indicator
ESG	Environmental, social and governance	kV	Kilovolt
ESIA	Environmental and Social Impact Assessment	kWh	Kilowatt hour
EU	European Union	LAR	Lobito Atlantic Railway
FEED	Front-end engineering design	LOM	Life-of-mine
FSDEA	Fundo Soberano de Angola – also known as the Angolan Sovereign Wealth Fund	Longonjo	Longonjo Rare Earth Mine
FTSC	FTSE Small Cap	LRP	Livelihood Restoration Plan/Programme
FTSE	Financial Times Stock Exchange	LSE	London Stock Exchange
		LTi	Long-term incentive
		LTIFR	Lost time injury frequency rate

ABBREVIATIONS continued

m	Metre
m²	Square metre
m³	Cubic metre
M&G	M&G Investment Management
mg/l	Milligrammes per litre
MOU	Memorandum of understanding
MREC	Mixed rare earth carbonate
Mtpa	Million tonnes per annum
MW	Megawatt
NdPr	Neodymium and praseodymium
NGO	Non-governmental organisation
OEMs	Original equipment manufacturers
Ozango	Ozango Minerais SA
PGI	G7 Partnership for Global Infrastructure and Investment
PPA	Power Purchase Agreement
QCA	Quoted Companies Alliance
R&D	Research and development
RAP	Resettlement Action Plan
REE	Rare earth element
ReElement	ReElement Technologies
REO	Rare earth oxide
ROM	Run-of-mine

Saltend	Saltend Magnet Metals Limited
SSP	Shared Socioeconomic Pathways
STEPS	World Energy Model Stated Policies Scenario
STI	Short-term incentive
t	Tonne
t/hr	Tonnes per hour
TbO	Terbium oxide
TCFD	Task Force on Climate-related Financial Disclosures
tCO ₂ e	Tonnes (t) of carbon dioxide (CO ₂) equivalent
tpa	Tonnes per annum
Toyota Tsusho	Toyota Tsusho Corporation
tpa	Tonnes per annum
TREO	Total rare earth oxide
TSF	Tailings storage facility
TSR	Total shareholder return
UK	United Kingdom
UNFCCC	United Nations Framework Convention on Climate Change
US	United States
U.S. EXIM	Export-Import Bank of the United States
US\$	United States dollar
VAC	Vacuumschmelze GmbH
VAT	Value added tax

CORPORATE DIRECTORY

Directors	Mr Paul Atherley – Executive chairman Mr Timothy George – Executive director/chief executive officer Mr Robert Kaplan – Finance director Ms Alison Saxby – Non-executive director Mr Steven Sharpe – Non-executive director
Chief executive officer	Mr Timothy George
Chief operating officer	Mrs Karen Brown
Company secretary	St James's Corporate Services Limited
Registered office	107 Cheapside Second Floor London EC2V 6DN, United Kingdom
Share registry UK	Computershare The Pavilions, Bridgwater Road Bristol BS13 8AE, United Kingdom
Auditor	BDO LLP 55 Baker Street London W1U 7EU United Kingdom
Lawyers UK	Simmons and Simmons City Point, 1 Ropemaker Street London EC2Y 9SS United Kingdom
LSE code	PRE
Website	www.pensana.co.uk
Pensana Plc	Company registration number: 12206525

