



ASX Announcement 31 August 2022

Bankable Feasibility Study Update

Peak Rare Earths Limited (ASX: **PEK**) ("**Peak**" or the "**Company**") advises that the Bankable Feasibility Study Update for the Ngualla Rare Earths Project in Tanzania ("**Ngualla Project**") and the Teesside Refinery in the United Kingdom ("**BFS Update**") is nearing completion. Key workstreams are close to being finalised and are expected to support technically and economically positive outcomes.

During discussions on the finalisation of a Framework Agreement with the Special Presidential Government Negotiating Committee ("**SPGNC**") that has been formed by the Government of Tanzania, Peak has tabled the potential to defer any decision to proceed with the construction of the Teesside Refinery until an independent assessment of the technical, economic and environmental feasibility of a Tanzanian rare earth refinery has been completed ("**Independent Assessment**").

Under this approach, Peak would remain committed to a longer-term integrated strategy, but would implement the following staged development approach:

- Initially develop the Ngualla Project to produce and export rare earth concentrate to offshore third-party refineries; and
- Depending upon the outcome of the Independent Assessment, develop a refinery either in Tanzania or at Teesside.

The benefits of this approach include the following:

- Maintaining optionality around the potential of a Tanzanian rare earth refinery;
- Significantly reducing the up-front capital expenditure and funding requirements;
- Lowering commissioning and technical risk around the concurrent development of the Ngualla Project and a rare earth refinery; and
- Taking advantage of offtake appetite for Ngualla's high-grade rare earth concentrate.

Peak is awaiting formal comment from the SPGNC on this proposed staged development approach.

It is expected that the BFS Update will be finalised and announced during the next 6-8 weeks, together with an update on the status of negotiations on a Framework Agreement and potential offtake marketing arrangements.

This announcement is authorised for release by the Company's Board of Directors.

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