



27 April 2020

President approves Mining Title for Longonjo Rare Earths Project

Pensana Rare Earths Plc (ASX: PM8) is pleased to announce that it has received approval for the exploitation of the Longonjo Rare Earths Project in Angola.

President Lourenço has approved the Company's subsidiary Ozango Minerals S.A. Mining Title, renewable up to 35-years, for the mining of rare earths at the Longonjo project located near Huambo.

The key fiscal terms under the Mining Investment Contract are:

- 2% royalty on revenue;
- 20% national tax and 5% municipal tax on revenue following an initial two-year tax holiday;
- Custom duties exemption on imported equipment;
- Full 5 year capital repayment allowance;
- Dividend tax exemption for 3 years.

Angolan Minister of Mineral Resources, Oil and Gas, Diamantino Azevedo commented:

"The Angolan Presidential approval of the Longonjo Mining Investment Contract reflects the Government's strong support for foreign investments which help diversify the economy and bring direct social and economic benefits to the communities in which they operate.

Pensana's investment will be one of the largest investments in regional Angola in recent years and will create jobs, provide training, support local businesses as well as improving the social infrastructure within the Huambo region.

We look forward to working closely with Pensana in advancing the project over the coming months.”

Pensana CEO Tim George commented:

“The Mining Title is a major milestone for us in the rapid development of the Longonjo project and we are absolutely delighted to have reached it so quickly.

The support of the Ministry in expediting the contract is very much acknowledged and is testament to Angola being ‘open for business’ - even during the Covid-19 lockdown.

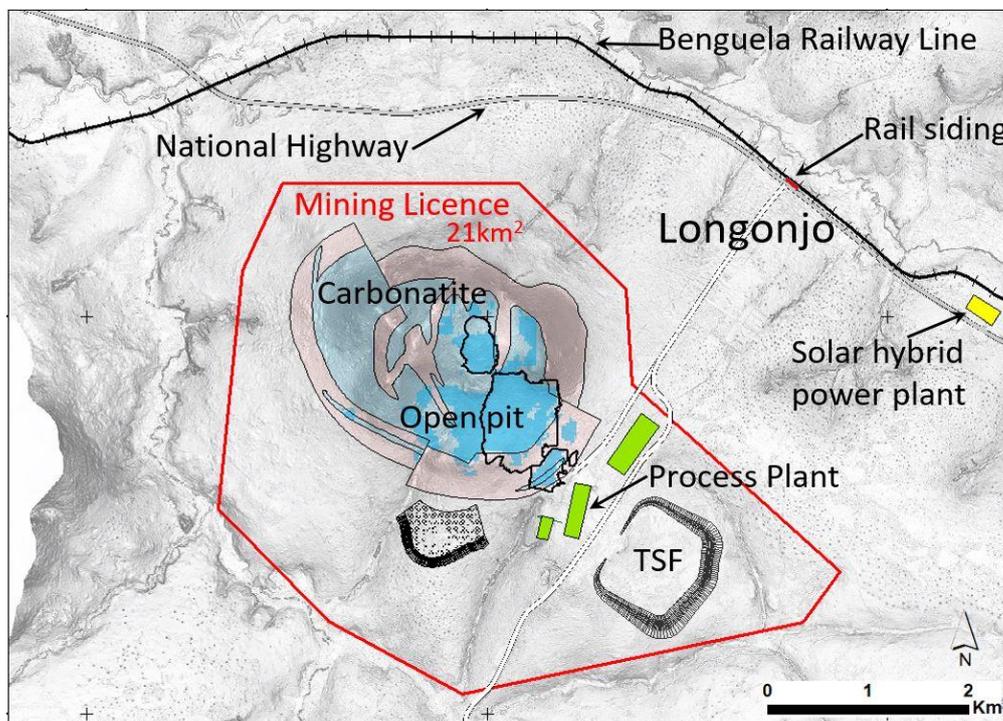
The recent investment in the Company by Angola’s Sovereign Wealth Fund underscores the commitment towards the project which will bring major social and economic benefits to Angola and will help accelerate the diversification of the economy away from the oil and gas and diamonds sectors.

We are excited about developing a mine which will not only create major social and economic benefits - and is being developed to the highest ESG standards - but one which will become a major global supplier of the magnet metals critical to our clean energy future.”

The exclusive mining rights have been granted over a 21 km² area, adjacent to the town of Longonjo in central Angola, which is well served by established transport and energy infrastructure.



The designated project area encompasses the Longonjo carbonatite deposit, proposed open pit mine, processing plant, tailings storage facility and all associated infrastructure required for the mining operations.



Authorised by the Board of Pensana Rare Earths Plc

For further information please contact Tim George (CEO) at:
contact@pensana.co.uk

Forward looking statements

This announcement may contain "forward-looking statements" with respect to certain of the Company's plans and its current goals and expectations relating to its future financial condition, performance, strategic initiatives, objectives and results. Forward-looking statements sometimes use words such as "aim", "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "seek", "may", "could", "outlook" or other words of similar meaning. By their nature, all forward-looking statements involve risk and uncertainty because they

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