



23 March 2020

Update on development of the Longonjo Project

Pensana Rare Earths Plc, (ASX: PM8) is pleased to advise that its operations in Angola have been unaffected by the Covid-19 virus to date as it continues to advance Definitive Feasibility studies at the Longonjo project.

The study is expected to confirm Longonjo's status as one of the world's only major rare earth mines being developed at a time when demand for magnet metals from EV and offshore wind turbine manufacturers is expected to take off.

Based on the results from 57 out of 195 holes of the recently completed drill programme and subject to the usual caveats that drilling results can downgrade as well as upgrade a resource estimate the Company is expecting that the resource will be substantially upgraded and is targeting a mine life of well in excess of 15 years.

The studies into the downstream production of a Carbonate which will open up markets in Europe, Japan and a Korea as well as China will form part of the Definitive Feasibility Study which will be reported in the September quarter.

Chinese rare earth processing companies have returned to work following a longer than usual Chinese New Year break. The Company has received further expressions of interest in becoming potential partners in developing the Longonjo Project.

The Company is well advanced in the documentation and regulatory and shareholder approvals for listing on the LSE and once the current turmoil in the financial markets has abated the Company will complete the Standard listing on the Main Board.

The Company has recently welcomed the Angolan Sovereign Wealth Fund as a shareholder and notes the fund's intention to further support and work with the Company and its management in the development of this important national project.

Angola has successfully implemented proactive containment measures based on its previous experience managing the Ebola virus and to date there are no reported cases of the Covid-19 virus in the country.

We continue to monitor the situation closely.

Tim George
CEO

Authorised by the Board of Pensana Rare Earths Plc

For further information please contact Tim George (CEO) at:
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Competent Persons Statement

The information in this report that relates to Geology and Drill results is based on information compiled and/or reviewed by David Hammond, who is a Member of The Australasian Institute of Mining and Metallurgy. David Hammond is the Chief Operating Officer and a Director of the Company. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and the activity which he is undertaking to qualify as a Competent Person in terms of the 2012 Edition of the Australian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves. David Hammond consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the 2019 Mineral Resource estimates is based on work done by Rodney Brown of SRK Consulting (Australasia) Pty Ltd. Rodney Brown is a member of The Australasian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as a Competent Person in terms of The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012 edition).

The information in this announcement that relates to the Study, including the mining, process design, tailings, preliminary engineering, operating and capital cost estimates summaries is based on work completed by Wood Group.

Compliance Statement

Information relating to Infrastructure, project execution, cost estimating, metallurgical test work, exploration results, Mineral Resource estimates is extracted from the report entitled "Preliminary Feasibility Study" announced on the 15th of November 2019.

The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources estimates, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.