

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

Pensana Plc

("Pensana" or the "Company")

Major shareholders to increase holdings in the Company

Pensana is pleased to announce that whilst it continues to progress the long-term funding for the Saltend and Longonjo Projects, two of the Company's long standing and major shareholders M&G Investment Management ("M&G") and the Angolan Sovereign Wealth Fund have agreed to invest a further US\$10 million in aggregate in the Company which will increase their combined holdings to 38.6%.

M&G, which is one of the UK's leading investment institutions and Fundo Soberano de Angola ("FSDEA"), which is the Angolan Sovereign Wealth Fund, remain strongly supportive of the Company and its business plan and have each requested and been granted the right to participate in any future equity or other fund raising undertaken by the Company on a pro rata basis for the next two years.

Chairman, Paul Atherley noted:

"We are pleased to have the continued support of M&G and FSDEA, two of our major shareholders. This additional investment reflects their confidence in our strategy and growth prospects, and we are grateful for their ongoing commitment.

The fact that M&G and FSDEA have also requested the right to participate in any future equity raises is a clear endorsement of our business, demonstrating long-term alignment with our goals.

We look forward to progressing our Saltend and Longonjo projects, delivering the world's first independent and sustainable magnet metal rare earth supply chain and meeting the growing needs of OEMs.

M&G has conditionally agreed to invest c. US\$5 million in the Company by way of a placement of 15,000,000 new ordinary shares of £0.001 each in the capital of the Company ("Ordinary Shares") (the "M&G Placing Shares") at a price of 27.50 pence per share (the "Placing Price").

The issue of the M&G Placing Shares is conditional, amongst other things, on the admission of the M&G Placing Shares to the Official List (Standard Segment) and to trading on the London Stock Exchange's Main Market for listed securities ("Admission"). An application for Admission of the M&G Placing Shares will be made shortly and Admission of the M&G Placing Shares is expected to occur at or around 8:00 am on 9 May 2023.

FSDEA has agreed to invest c. US\$5 million in the Company by way of a placing of 15,000,000 Ordinary Shares at the Placing Price. Of the FSDEA Placing Shares, 2,543,080 Ordinary Shares have been placed firm ("FSDEA Firm Placing Shares"). The remaining 12,456,920 Ordinary Shares are conditional amongst other things upon shareholder approval for the issue of those shares free of pre-emption rights and the Secretary of State confirming, inter alia, that no action will be taken under the UK National Security and Investment Act 2021 ("UK FDI Approval") in relation to FSDEA's acquisition of more than 25 per cent. of the Company's Ordinary Shares ("FSDEA Conditional Placing").

The issue of the FSDEA Firm Placing Shares is conditional, amongst other things, on the Admission of FSDEA Firm Placing Shares. An application for Admission of the FSDEA Firm Placing Shares will be made shortly and Admission of the FSDEA Firm Placing Shares is expected to occur at or around 8:00 am on 9 May 2023.

Notice of a General Meeting to be convened inter alia to seek approval for the issue of the FSDEA Conditional Placing Shares is being prepared and will be issued shortly.

A further announcement will be made regarding Admission of the FSDEA Conditional Placing Shares, once the UK FDI Approval has been received.

The Ordinary Shares issued to FSDEA and M&G will be issued credited as fully paid and will, on their Admission, rank pari passu in all respects with the existing Ordinary Shares then in issue including the right to receive all dividends or other distributions declared, made or paid after the respective date of their Admission.

Following Admission of the M&G Placing Shares and the FSDEA Firm Placing Shares, M&G and FSDEA will be interested in a total of 34,595,680 Ordinary Shares and 63,081,717 Ordinary Shares respectively representing 12.7% and 23.1% of the enlarged share capital of the Company.

Total Voting Rights

Following Admission of the M&G Placing Shares and the FSDEA Firm Placing Shares, the Company's issued share capital will consist of 272,723,953 Ordinary Shares. No shares are held in treasury and, therefore, the total number of voting rights of the Company on Admission of the M&G Placing Shares and the FSDEA Firm Placing Shares will be 272,723,953. This figure may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the Company under the Financial Conduct Authority's Disclosure Guidance and Transparency Rules.

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

-ENDS-

For further information, please contact:

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About Pensana Plc

The electrification of motive power is the most important part of the energy transition if we are to tackle climate change and one of the biggest energy transitions in history. Magnet metal rare earths are central to that transition, forming a critical part of the technology for efficient electric vehicle motors and offshore wind turbines.

Pensana plans to establish its Saltend processing hub as an independent and sustainable supplier of the key rare earth magnet metal oxides to a market which is currently dominated by China.

The US\$195 million Saltend facility is being designed to produce circa 12,500 tonnes per annum of rare earth products, of which 4,500 tonnes will be neodymium and praseodymium oxide (NdPrO), representing over 5% of the world market in 2025.

Pensana's plug-and-play facility is located within the world-class Saltend Chemicals Park, a cluster of leading chemicals and renewable energy businesses in the Humber Freeport and will create over 500 jobs during construction and over 125 direct jobs once in production.

Powered by low-carbon offshore wind, it will be the first major separation facility to be established in over a decade and will become one of the few major producers located outside China.

Feedstock will be shipped as a clean, high purity mixed rare earth double sulphate (MREDS) from the Company's Longonjo low-impact operations in Angola. The mine's state-of-the-art concentrator and proprietary MREDS processing plant are designed by Wood to the highest international standards.

The operations will be powered by renewable energy from hydroelectric power and connected to the Port of Lobito by the recently upgraded Benguela railway line.

Pensana believes that provenance of critical rare earth materials supply, life cycle analysis and GHG Scope 1, 2 and 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 the metal oxides and carbonates of increasing importance to a range of applications central to addressing the energy transition.

Pensana is also aiming to establish Saltend as an attractive alternative to mining houses that may otherwise be limited to selling their products to China, having designed the facility to be easily adapted to cater for a range of rare earth feedstocks.

www.pensana.co.uk