

THIS ANNOUNCEMENT CONTAINS INSIDER INFORMATION

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**Pensana Plc
("Pensana" or the "Company")**

Offtake and Co-operation Agreement with Hanwa

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Pensana Plc (PRE.LSE) is pleased to advise that it has signed a non-binding Memorandum of Understanding (â€œMOUâ€) for an offtake with a major Japanese partner, Hanwa Co. Ltd (â€œHanwaâ€).

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Key MOU terms include:Â

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- Offtake proposal for up to 20,000tpa of ultra clean Mixed Rare Earth Carbonate from Longonjo mine over 5 years at prices to be discussed.Â
- Hanwa intends to co-operate with Pensana in the marketing and distribution in the Global market but also work towards developing a strategic and sustainable supply chain for magnet metal material.
- Hanwa is considering a deeper co-operation including possibility of an investment to continue to develop the Pensana upstream and downstream projects with the aim of delivering a low embedded carbon magnet metal supply chain supporting Hanwaâ€™s customers and future partners.

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The MOU also allows for Hanwa to consider providing financial support and to jointly study support opportunities from Governmental and financial institutions for the various Pensana projects. These include Coola and Sulima west expansion, the separation facilities and metallization project.Â

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Hanwa commentedÂ -Â â€œWe see this MOU as the path to finalisation of a long-term agreementÂ between Pensana and Hanwa,Â ensuringÂ high quality magnet metal products with leading ESG benefits are available to Hanwaâ€™s Global customers.â€

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Paul Atherley,Â Pensana Chairman commented - â€œWe are delighted to be working with Hanwa with a view to establishing a long term and sustainable supply of high-quality magnet metal products from our Longonjo operations in Angola.â€

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About Hanwa

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Hanwa Co., Ltd is a Japan-based trading company, handling a diverse range of commodities including steel products, non-ferrous metals, foods, petroleum and chemical products, lumbers, machinery and now intensively focusing on key feedstock (metals and chemicals) for the electric vehicle and FCV with a market capitalisation of Â¥215.9 billion (circa US 1.5 billion) and reported net sales of more than Â¥2,400 billion (circa US 16.9 billion) in FY2023-2024. Hanwa has an â€œA-â€ credit rating.

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Hanwa is aggressively acting amongst the largest commodity traders of metals and chemicals specifically in the Asian region, and has a long history of trading with global metal and chemical producers and operating a specifically-dedicated primary metal and battery team. This team has been intensively expanding its critically important minerals including not only above key metals for battery cathodes but also graphite (natural & synthetic), silicon and black mass for battery anodes, rare earth materials and recycling products.

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Hanwa will keep contributing to both social development and environmental conservation by responding to increasing demand while expanding its supply ability through partnerships with the resource suppliers and smelting/refining companies, off-takes and investments.

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About Longonjo

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The electrification of motive power through EVs and Wind Turbines is the biggest energy transition in history. Adamas Intelligence forecasts that the global demand for rare-earth magnets will increase at a CAGR of 8.7% from 2024 to 2040.

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Pensana owns one of the world's largest undeveloped rare earth mines, one of only three with a JORC Reserve >100,000 tonnes of NdPr. Once in full production the Longonjo project located in Angola near Huambo on the Lobito Corridor will produce ~5% of world production of NdPr in the form of an exported mixed rare earth carbonate.

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The upfront capital cost of US 217 million for the fully permitted mine and processing facilities is amongst the lowest amongst its peers making Pensana highly competitive.

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Pensana has recently been awarded a Gold Medal by EcoVadis, a leadingÂ sustainability ratings provider, placing it in the top 5% of the companies assessed.

The ratings by EcoVadis are widely used by the automotive and offshore wind OEMs to monitor the ESG credentials of potential suppliers and are based on a detailed assessment of operations in the areas of environment, sustainability, procurement, labour and human rights and ethics.

The award follows the award by S&P Bond Rating Agency CICERO in 2022 which rated the Companyâ€™s operations

as a Light Green with a Good Governance.

Pensana will continue to operate under the EcoVadis tracking and reporting system, as leadership in global sustainability is critical to its long-term growth strategy.

Pensana's Blueprint for Sustainable Rare Earths, demonstrating our strategic commitment to ESG, can be found [here](#).

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.

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