

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION, if you are in any doubt about the contents of this Document you should consult a person authorised under the Financial Services and Markets Act 2000 who specialises in advising on the acquisition of shares and other securities if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

This Document comprises a prospectus relating to Altona Rare Earths Plc (the “**Company**”) which has been approved by the Financial Conduct Authority (the “**FCA**”), as competent authority under Regulation (EU) 2017/1129 and as amended by The Prospectus (Amendment etc.) (EU Exit) Regulations 2019. The FCA only approves this prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129 and as amended by The Prospectus (Amendment etc.) (EU Exit) Regulations 2019. Such approval should not be considered as an endorsement of the quality of the securities that are, or the Company which is, the subject of this prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

Application has been made to the FCA for all of the Shares in the Company (being the Existing Shares and the New Ordinary Shares) to be to be admitted to the standard segment of the Official List of the FCA (the “**Official List**”) (“**Standard Listing**”) under Chapter 14 of the listing rules published by the FCA under section 73A of FSMA as amended from time to time (the “**Listing Rules**”) and to trading on the London Stock Exchange’s Main Market for listed securities (together, “**Admission**”). No application has been made, or at this time is intended to be made, for the Shares to be admitted for listing or dealt with on any other stock exchange. It is expected that Admission will become effective, and that unconditional dealings in the Shares will commence, at 8.00 a.m. on 9 June 2023. The trading of the Existing Shares on the Aquis Stock Exchange (“**AQSE**”) was cancelled on 17 March 2023.

THE WHOLE OF THE TEXT OF THIS DOCUMENT SHOULD BE READ BY PROSPECTIVE INVESTORS. YOUR ATTENTION IS SPECIFICALLY DRAWN TO THE DISCUSSION OF CERTAIN RISKS AND OTHER FACTORS THAT SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE SHARES AS SET OUT IN THE SECTION ENTITLED “RISK FACTORS” BEGINNING ON PAGE 11 OF THIS DOCUMENT.

The Existing Directors and the Proposed Directors, whose names appear on page 29 of this Document, and the Company, accept responsibility for the information contained in this Document. To the best of the knowledge of the Directors and the Company the information contained in this Document is in accordance with the facts and this Document makes no omission likely to affect its import.



Altona Rare Earths

ALTONA RARE EARTHS PLC

(Incorporated in England and Wales with company number 05350512)

**Issue of 44,918,200 New Ordinary Shares comprising the issue of
40,000,000 Fundraising Shares at 5 pence per Share
4,918,200 Fee Shares**

Admission of the Enlarged Share Capital to the Official List (by way of Standard Listing under Chapter 14 of the Listing Rules) and to trading on the London Stock Exchange’s Main Market for listed securities

Broker



Optiva Securities Ltd.

Financial Adviser



Novum Securities Limited

Issued share capital immediately following Admission
82,403,199 Ordinary Shares of 1 pence each

Optiva Securities Ltd (“**Optiva**” or the “**Broker**”) has been appointed by the Company as its broker in connection with the Placing and Admission. The Broker, which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for the Company and no one else in relation to the Placing and Admission. Optiva will not regard any other person (whether or not a recipient of this Document) as its client in relation to the Placing and Admission and will not be responsible to anyone (other than the Company in respect of Admission) for protections afforded to the clients of Optiva or for providing any advice in relation to Admission or the Placing, the contents of this Document or any transaction or arrangement referred to herein. No liability whatsoever is accepted by

Optiva for the accuracy of any information or opinions contained in this Document or for the omission of any material information, for which it is not responsible. However, nothing in this paragraph excludes or limits any responsibility which Optiva may have under the Financial Services and Market Act 2000 or the regulatory regime established thereunder, or which, by law or regulation cannot otherwise be limited or excluded.

This Document does not constitute an offer to sell, or the solicitation of an offer or invitation to buy or subscribe for, Shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company.

OVERSEAS SHAREHOLDERS

The Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or under the securities laws of any state or other jurisdiction of the United States or under applicable securities laws of Canada or Japan. Subject to certain exceptions, the Shares may not be offered, sold, resold, transferred or distributed directly or indirectly, and this Document may not be distributed by any means including electronic transmission within, into, in or from the United States or to or for the account or benefit of persons in the United States, South Africa, the Republic of Ireland, Canada, Japan or any other jurisdiction where such offer or sale would violate the relevant securities laws of such jurisdiction. This Document does not constitute an offer to sell or a solicitation of an offer to purchase or subscribe for Shares in any jurisdiction in which such offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company. The Shares may not be taken up, offered, sold, resold, transferred or distributed, directly or indirectly within, into or in the United States except pursuant to an exemption from, or in a transaction that is not subject to, the registration requirements of the Securities Act. There will be no public offer in the United States, although the Company may sell the Shares in a private placement transaction in the United States pursuant to an exemption from registration.

The distribution of this Document in or into jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possessions this Document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

None of the Shares have been approved or disapproved by the United States Securities and Exchange Commission (the “**SEC**”), any state securities commission in the United States or any other regulatory authority in the United States, nor have any of the foregoing authorities passed comment upon or endorsed the merit of the offer of the Shares or the accuracy or the adequacy of this Document. Any representation to the contrary is a criminal offence in the United States.

Application has been made for the Shares to be admitted to the Official List by way of a Standard Listing. A Standard Listing will afford investors in the Company a lower level of regulatory protection than that afforded to investors in companies with Premium Listings on the Official List, which are subject to additional obligations under the Listing Rules.

It should be noted that the FCA will not have authority to (and will not) monitor the Company’s compliance with any of the Listing Rules that the Company has indicated herein that it intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Company to so comply. However, the FCA would be able to impose sanctions for non-compliance where the statements regarding compliance in this Document are themselves misleading, false, or deceptive.

This Document is dated 31 May 2023

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SUMMARY

This summary has been drawn up as a short document written in a concise manner and of a maximum length of seven sides of A4-sized paper when printed. In accordance with Article 7 of the Prospectus Regulation this summary is made up of the following four sections: (A) an introduction, containing warnings; (B) key information on the issuer; (C) key information on the securities; and (D) key information on the offer of securities to the public and/or the admission to trading on a regulated market.

SECTION A – INTRODUCTION AND WARNINGS

Introduction

The legal and commercial name of the issuer is Altona Rare Earths Plc (the “**Company**”) with its registered address at Eccleston Yards 25 Eccleston Place London SW1W 9NF and telephone number + 44 (0) 7795 168 157. The Company’s international securities identification number (ISIN) is GB00BFZNKV91 and its legal entity identifier (LEI) is 2138002A5GU9BFS2I491.

This Document has been approved on 31 May 2023 by the Financial Conduct Authority (the “**FCA**”), as the competent authority under Regulation (EU) 2017/1129 and as amended by The Prospectus (Amendment etc.) (EU Exit) Regulations 2019. The FCA has its head office at 12 Endeavour Square, London E20 1JN. The FCA may be contacted by telephone on 0800 111 6768 (freephone) from the United Kingdom, or +44 207 066 1000 from abroad, or on its website www.fca.org.uk/contact.

Warnings

This summary should be read as an introduction to this Document. Any decision to invest in the Shares should be based on consideration of this Document as a whole by the investor. The investor could lose all or part of the invested capital.

Civil liability attaches only to those persons who have tabled this summary including any translation thereof but only if this summary is misleading, inaccurate, or inconsistent when read together with the other parts of this Document or it does not provide, when read together with the other parts of this Document, key information in order to aid investors when considering whether to invest in such securities.

SECTION B – KEY INFORMATION ON THE ISSUER

Who is the Issuer of the Securities?

Issuer: The Company was incorporated as a company with limited liability on 2 February 2005 under the laws of England and Wales under the Companies Act 1985 with an indefinite life and with company number 05350512 and LEI, 2138002A5GU9BFS2I491.

Principal Activities

Altona Rare Earths Plc’s Existing Shares were admitted to trading on AQSE, although this listing was cancelled on 17 March 2023. Altona is a mining exploration company with a focus on finding and extracting Rare Earth Elements (“**REE**”) in Africa and currently holds an interest in a REE mining project in southern Africa. This first acquisition was the Monte Muambe Project in Mozambique, in which it currently holds a 20% interest through and has control of the board of directors of Monte Muambe Mining LDA (“**MMM**”). MMM holds Prospecting Licence 7573L, granted by the Government of Mozambique, to explore for Rare Earth Elements. The Company will increase its current shareholding in MMM from 20% up to 70% pursuant to the terms of a farm-out agreement.

The Company is also seeking to undertake additional acquisitions of mining projects (each an “**Acquisition**”) in the REE sector in Africa. As at the date of this Document, the Company’s current operations or principal activities are in relation to the Project. The Company also has a further six incorporated subsidiaries in Mozambique, Uganda, Tanzania and Mauritius although each of them is currently dormant.

Strategy

On 24 June 2021, the Company entered into the Monte Muambe Farmout Agreement which gives it an investment in the Monte Muambe Project in the Rare Earth Elements sector in Mozambique. The Company took control of MMM through the appointment of the majority of directors to the board of MMM on 12 August 2021 and an initial 1% interest in the Project. The Monte Muambe Farmout Agreement sets out a four-year phased work programme and budget which will earn the Company an increasing shareholding in MMM up to 70%. In addition, the Company will be required to issue certain

Consideration Shares to the current shareholders of MMM as part of the farm-out arrangements. Following the completion of Phase 1 of the Project and certain obligations by the Group under the Monte Muambe Farmout Agreement, the Group's interest has now increased to 20%.

The Company has also resolved to seek additional investments. It has commenced early discussions in relation to potential transactions in respect of making additional investments but does not expect to engage in substantive negotiations with any target company, business or in relation to any licence until after Admission.

The Directors have strict criteria which will be used when reviewing potential transactions, which include, amongst other things, identifying opportunities with known rare earth elements occurrences or mineral resource, and where the Company has the best chance of successfully proving up the said resource of rare earths, and where the Company can take over the management of the business, after conducting thorough due diligence. The Directors believe that their networks, the Company's cash resources and profile following Admission, mean that the Company will be able to target Acquisitions that are commensurate in size to its resources, although there is no limit. It is intended that any Acquisition will be undertaken by way of share consideration (in whole or part). However, if only part of the consideration is satisfied in shares, the Company will consider whether a further equity raising will be required, and the amount of such raising. This will depend on the nature of the Acquisition opportunity that arises, the form of consideration the Company uses to make the Acquisition (which cannot be determined at this time) and the need for working capital following the working capital period. However, the Company will ensure that any Acquisition will not prevent it from undertaking its obligations in respect of the existing Project during the working capital period.

The Company's strategy is to develop the Project in accordance with the work programme and budget agreed in the Monte Muambe Farmout Agreement, and to acquire mining companies, businesses or licences in the Rare Earth Elements sector in East, South, and Central Africa and carry out sufficient exploration work to establish an economically viable resource showing a high-quality ore body of rare earth metals. The Project and any additional Acquisition will be long-term investments for the Company. The Company will not generate returns from the Project in the short to medium term.

Major Shareholders

The Directors are aware of the following persons, who, as at the date of this Document and at Admission will have a notifiable, direct or indirect, interest in the Company's capital or Voting Rights of three per cent. (3%) or more

Shareholder	Number of Shares as at the date of this Document	Percentage of Existing Share Capital	Number of Shares on Admission	Percentage of Issued Shares on Admission	Fully Diluted Holding and Percentage on Admission*	Fully Diluted Holding and Percentage on Admission and on grant of the Conditional Warrants**
James Brearley Crest Nominees Limited ²	8,647,970	23.07%	25,757,973	31.26%	25,757,973 (25.61%)	59,977,979 (28.88%)
Jim Nominees Limited ¹	6,859,406	18.30%	6,859,406	8.32%	9,984,406 (9.93%)	9,984,406 (4.81%)
Mr Heiko Thomas (James Brearley)	2,663,733	7.11%	2,663,733	3.23%	2,972,233 (2.95%)	2,972,233 (1.43%)
Christian Taylor-Wilkinson	1,912,371	5.10%	3,862,371	4.69%	4,312,371 (4.29%)	6,712,371 (3.23%)
Winterflood Securities Limited	1,585,134	4.23%	1,585,134	1.92%	1,585,134 (1.58%)	1,585,134 (0.76%)
Aurora Nominees Limited ²	1,544,615	4.12%	1,544,615	1.87%	1,544,615 (1.54%)	1,544,615 (0.74%)
LAWSHARE NOMINEES LIMITED ²	1,472,362	3.93%	1,472,362	1.79%	1,472,362 (1.46%)	1,472,362 (0.71%)
INTERACTIVE INVESTOR SERVICES NOMINEES LIMITED ²	1,427,138	3.81%	1,427,138	1.73%	1,427,138 (1.42%)	1,427,138 (0.69%)
Optiva Sec (James Brearley)	1,264,281	3.37%	4,035,818	4.90%	4,753,675 (4.73%)	27,459,509 (13.22%)
Mr Karl-Erik von Bahr* (in the JIM Nominees balance)	1,250,000	3.33%	1,250,000	1.52%	1,250,000 (1.24%)	1,250,000 (0.60%)
Jub Capital	—	—	9,864,460	11.97%	9,864,460 (9.81%)	29,593,380 (14.25%)
John Story	—	—	5,000,000	6.07%	5,000,000 (4.97%)	15,000,000 (7.22%)
Align – Catalyse Capital Limited***	—	—	1,720,000	2.09%	1,720,000 (1.71%)	9,220,000 (4.44%)

1 Shares held in a nominee account – Only one individual is a substantial beneficial owner over 3% of the Enlarged Share Capital (Karl-Erik von Bahr holds 1,250,000 shares at 3.33%. Post Admission this will be below the 3% level both Enlarged Share Capital and on a Fully Diluted basis.)

2 Shares held in a nominee account – no individual holdings over 3%

*Fully diluted basis on Admission assumes all Existing Warrants are exercised up to the maximum amount.

**Fully diluted basis on the grant of the Conditional Warrants assumes the Shareholder Authority Resolutions have been passed, all Conditional Warrants and Piggyback Options are exercised up to the maximum amount and the CLNs have been converted in full.

*** This includes the CCL Amendment Fee Shares to be issued to CCL on Admission.

On Admission, such Shareholders will not have special Voting Rights in relation to the Shares and the Shares owned by them will rank *pari passu* in all respects with other Shares.

Directors: The directors of the Company one day prior to Admission are Martin Wood, Christian Taylor-Wilkinson, Cédric Simonet and Audrey Mothupi.

On Admission, Louise Adrian and Simon Charles will join the Board respectively as Chief Financial Officer and Non-Executive Director. Also on Admission, Cédric Simonet will be appointed as Chief Executive Officer and Christian Taylor-Wilkinson will step down from the Board and as Chief Executive Officer

Statutory Auditors: The Company's auditors are PKF Littlejohn, LLP whose address is 15 Westferry Circus, London E14 4HD.

What is the key financial information regarding the issuer?

The tables below set out selected key financial information for the Group for the period from 1 July 2019 to 30 June 2022 and the unaudited interim period to 31 December 2022. Since the unaudited financial information to 31 December 2022, there have been the following significant changes in the financial position and performance of the Group:

The Company entered into a short-term loan facility on 8 November 2022, enabling it to drawdown up to £150,000 in two tranches in November, from Catalyse Capital Limited (previously named Align Research Investments Ltd) ("**CCL**"). The loan facility was amended on 28 January 2023 and 3 May 2023 and provides for the loan to be repaid on the earlier of completion of the Placing and 30 June 2023. CCL was entitled to a fee for entering into the 28 January 2023 amendment of 10% of the outstanding loan, which was added to the principal of the loan. The loan carries a fixed interest rate of 15%. The entirety of the initial loan was drawn down in November and December 2022. As consideration for the amendment of 3 May 2023, the Company agreed to satisfy an amendment fee by the issue of 1,000,000 Ordinary Shares to CCL on Admission ("**CCL Amendment Fee Shares**"). CCL also received warrants. A dispute arose with respect to the pricing of the warrants issued to CCL and the date of repayment of the loan. The dispute with CCL has been settled on terms that the initial warrant instrument has been terminated and replaced with a new warrant instrument, which was subsequently amended and restated. The amended and restated warrant instrument provides, subject to the Shareholder Authority Resolutions being passed, for 7,500,000 warrants, with an exercise period expiring on the third anniversary of Admission. The subscription price of the warrants is the lower of 5 pence each or the price of any equity issuance in excess of £50,000 (excluding any warrants or options granted prior to the date of the warrant instrument) that the Company makes on or before the date falling 18-months from Admission.

The Company created a convertible loan note in the principal amount of £300,000 on 1 February 2023, £275,000 of which has been subscribed for by the Broker, Optiva Securities Limited ("**Loan Notes**" or "**Convertible Loan Notes**" or "**CLNs**"). There are no other subscribers. The Loan Notes carry a rate of interest of 15% per annum, which interest shall accrue daily on the principal amount of the Loan Notes. Interest is payable to the noteholder in cash twice a year in July and January. The Loan Notes have a maturity date of 15 months from the date of creation of the Loan Notes, unless earlier redeemed in accordance with their terms. The noteholders have a right to convert the Loan Notes into Ordinary Shares at any time after Admission at the Placing Price. The Loan Notes are freely transferrable. The Company has created the CLN Warrant Instrument which, subject to the passing of the Shareholder Authority Resolutions at the next general meeting of the Company, provides for the Loan Note holder to be granted warrants over a total of 11,000,000 Shares which are exercisable for a two year period from the date of grant of the warrants, comprising 5,500,000 warrants exercisable at 10 pence and warrants over the balance of 5,500,000 Shares are exercisable at 15 pence (in aggregate the "**CLN Warrants**"). In connection with the subscription for the Loan Notes, the Company has created the CLN Broker Warrant Instrument which, subject to the passing of the Shareholder Authority Resolutions, provides for the Broker to be issued warrants over a further 550,000 Shares

which, subject to exercise of the conversion right under the CLN, are exercisable for a period of two years from the date of grant of the warrants, which are exercisable at the Placing Price (“**CLN Broker Warrants**”).

Prospective investors should review the following selected financial information together with the historic audited financial statements, which can be obtained from Companies House or on the Company website www.altonaRE.com and should not rely on the selected information itself.

Summary statement of financial position of the Group

	Unaudited As at 31 December 2022 £'000	Audited As at 30 June 2022 £'000	Audited As at 30 June 2021 £'000	Audited As at 30 June 2020 £'000
Total assets	1,599	1,441	457	20
Total liabilities	917	391	321	524
Total equity	682	1,050	136	(504)

Summary statement of comprehensive income of the Group

	Unaudited 6 months ended 31 December 2022 £'000	Unaudited 6 months ended 31 December 2021 £'000	Audited Year ended 30 June 2022 £'000	Audited Year ended 30 June 2021 £'000	Audited Year ended 30 June 2020 £'000
Other income	—	—	—	—	42
Operating loss	387	418	801	729	228
Net loss	412	417	801	733	229
Earnings per Share	(1.40p)	(1.55p)	(2.72p)	(7.73p)	(14.23p)

Summary statement of cash flows of the Group

	Unaudited 6 months ended 31 December 2022 £'000	Unaudited 6 months ended 31 December 2021 £'000	Audited Year ended 30 June 2022 £'000	Audited Year ended 30 June 2021 £'000	Audited Year ended 30 June 2020 £'000
Net cash used in operating activities	(107)	(507)	(832)	(528)	(28)
Net cash used in investing activities	(279)	(405)	(875)	—	—
Net cash inflows from financing activities	148	1,107	1,554	964	28
Net cash increase/(decrease)	(238)	195	(153)	436	—
Cash held at the period end	45	631	283	436	—

The above information has been extracted without adjustment from the audited annual consolidated financial statements of the Group and the unaudited interim condensed consolidated financial statements of the Group. At 31 December 2022 and 30 June 2022, the Group has presented consolidated financial information which included all of its active subsidiaries. At 30 June 2021 there is no substantial difference between activities of the Company and those of the Group, as all its subsidiaries at this time were dormant and have subsequently been deregistered prior to the date of this Document.

The Company’s auditors included a material uncertainty relating to going concern in their audit report for the year ended 30 June 2022. The opinion is summarised as follows:

“Material uncertainty relating to going concern

“We draw attention to note 1 in the financial statements, which indicates that the Group is not currently generating revenue and remains reliant on shareholder funding. The Group incurred a net loss of £801,000 during the year ended 30 June 2022. As stated in note 1, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the company’s ability to continue as a going concern. The Group is reliant on a successful fundraise by the Company to fund its operations

for the foreseeable future. Management expect this to be post audit completion, following a successful admission to the standard market of the London Stock Exchange. Our opinion is not modified in respect of this matter.”

The Company’s auditors included a material uncertainty relating to going concern in their audit report for the year ended 30 June 2021. The opinion is summarised as follows:

“Material uncertainty relating to going concern

We draw attention to note 1 in the Financial Statements, which indicates that the company is not currently generating revenue and remains reliant on shareholder funding. The company incurred a net loss of £733,000 during the year ended 30 June 2021. As stated in note 1, these events or conditions indicate that a material uncertainty exists and may cast significant doubt on the company’s ability to continue as a going concern. The Company is reliant on a successful fundraise by the company to fund its operations for the foreseeable future. Our opinion is not modified in respect of this matter.”

The Company’s auditors included a material uncertainty relating to going concern in their audit report for the year ended 30 June 2020. The opinion is summarised as follows:

“Material uncertainty relating to going concern

We draw attention to note 1 in the Financial Statements, which identifies conditions that may cast doubt on the Group’s and Company’s ability to continue as a going concern. The Group incurred a net loss of £229,000 during the year ended 30 June 2020 and at that date the Group has net current liabilities of £524,000. The Financial Statements have been prepared on the going concern basis which is reliant on a successful fundraise by the Group to fund its operations for the foreseeable future. In December 2020, the Company raised £138,000 and in January 2021, the Company received subscription letters in respect of a fundraising of £523,000 before expenses. At the date of this report the Company has received £168,214 through the share placing and the balance is expected to be received in February 2021. The going concern assessment of the Group is reliant on receiving the remaining £355,139 through the share placing. As stated in note 1, these events or conditions, along with the other matters as set forth in note 17, indicate that a material uncertainty exists that may cast doubt on the ability of the Group and Company to continue as a going concern. Our opinion is not modified in respect of this matter.”

Pro forma financial information

Not applicable. No *pro forma* financial information is included in this Document.

What are the key risks that are specific to the Issuer?

- Although the Company has previously carried on a mining exploration business, its investment in the Project represents its first investment in REE. The Group has no operating results in respect of its business operations in REE. Due to the change in business operations to a new mining sub-sector, the Company lacks an operating history in such sector, and therefore, investors have no basis on which to evaluate the Company’s ability to achieve its objective of operating the Project and identifying, acquiring and operating additional businesses or assets in this sector.
- The Group will not generate any revenues from the Project in the short to medium term.
- The Project requires the Company to carry 100% of the cost of the prospecting, development and mining activities on the Licence and there is no guarantee that the mineral deposits will be capable of monetisation or produce sufficient returns for the Company to recover its costs.

SECTION C – KEY INFORMATION ON THE SECURITIES

What are the main features of the securities?

The securities subject to Admission total 82,403,199 Ordinary Shares of 1 pence each in the capital of the Company, comprising the Existing Shares, the Fundraising Shares issued at the Placing Price and the Fee Shares (including the CCL Amendment Fee Shares), all of which will on Admission be fully paid. The Shares are denominated in UK Pounds Sterling and the Placing Price is payable in UK Pounds Sterling. The Shares are registered with ISIN number GB00BFZNV91.

Each of the Fundraising Shares and the Fee Shares are issued as new Ordinary Shares and shall on Admission rank *pari passu* for Voting Rights, dividends and distributions and return of capital on winding up (whether this be a solvent or insolvent winding up) with the Existing Shares. Each Share

confers the right to receive notice of and attend all meetings of Shareholders. Each holder of Shares present at a general meeting in person or by proxy or by its authorised corporate representative has one vote, and, on a poll, one vote for every Share of which he is a holder. In the case of joint holders of Shares, if two or more persons hold Shares jointly each of them may be present in person or by proxy at a meeting of members and may speak as a member. If only one of the joint owners is present in person or by proxy he may vote on behalf of all joint owners, and if two or more of the joint owners are present in person or by proxy they must vote as one. No pre-emption rights exist in respect of future share issues carried out by the Company wholly or partly other than for cash. Subject to the Companies Act, on a winding up of the Company the assets of the Company available for distribution shall be distributed, provided there are sufficient assets available, to the holders of Shares *pro rata* to the number of such fully paid-up Shares held (by each holder as the case may be) relative to the total number of issued and fully paid up Shares.

Where will the securities be traded?

Cancellation of the admission to trading on AQSE was made on 17 March 2023. Application has been made to the FCA and the London Stock Exchange for all of the Shares to be admitted to the Standard Segment of the Official List under Chapter 14 of the Listing Rules and to trading on the London Stock Exchange's Main Market for listed securities. It is expected that Admission will become effective and that dealings in Shares will commence at 8.00 a.m. on 9 June 2023. The Shares will not be listed on any other or any other regulated market.

What are the key risks that are specific to the securities?

- The issue of the New Ordinary Shares will dilute existing shareholders of the Company.
- Investors may not be able to realise returns on their investment in Shares within a period that they would consider to be reasonable as an investment in Shares may be relatively illiquid. In particular, dividend payments on the Shares are not guaranteed and the Company does not intend to pay dividends in the short term.
- Even though the Company's Shares have previously been listed on AQSE, notwithstanding the Company's intention to be admitted to trading on the London Stock Exchange, a market for the Shares may not develop, which would affect adversely the liquidity and price of the Shares.

SECTION D – KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC AND/OR THE ADMISSION TO TRADING ON A REGULATED MARKET

Under which conditions and timetable can I invest in this security?

General Terms and Conditions

The Placing Shares will be distributed pursuant to the Placing arranged by Optiva Securities as agent for the Company and the Placing is conditional on Admission occurring and becoming effective by 8.00 a.m. London time on, or prior to, 9 June 2023 (or such later date as may be agreed by Optiva and the Company) but in any event no later than 30 June 2023 (the "**Long Stop Date**") and the Placing not having been terminated by Optiva in accordance with the terms of the Placing Agreement. If the Placing Agreement terminates and the Placing does not take place, the Admission of the Company will not take place. Subject to the passing of the Shareholder Authority Resolutions, each Placee will be issued with one Fundraising Warrant for each Placing Share it subscribes for.

Expected Timetable

<i>Publication of this Document</i>	<i>31 May 2023</i>
<i>Admission and commencement of unconditional dealings in Shares</i>	<i>8.00 a.m. on 9 June 2023</i>
<i>Crediting of New Ordinary Shares to CREST Accounts</i>	<i>9 June 2023</i>
<i>Share Certificates for Fundraising Shares dispatched</i>	<i>within 10 business days of Admission</i>

Details of Admission to Trading

Application has been made for the entire issued share capital of the Company, being the Existing Shares and the New Ordinary Shares, to be admitted to listing as a Standard Listing on the Official List and to trading on the London Stock Exchange's Main Market. The securities subject to Admission

are a total of 82,403,199 Shares comprising 37,484,999 Existing Shares and, 44,918,200 New Ordinary Shares.

Immediate Dilution Pursuant to the Placing

Pursuant to the Placing, 33,546,000 Shares have been conditionally subscribed for by Placees at the Placing Price, and 6,454,000 Subscription Shares have been subscribed by subscribers in the Subscription, together representing 48.54 per cent. of the Enlarged Share Capital. The New Ordinary Shares (which include the Fee Shares) will result in the Existing Share Capital being diluted so as to constitute 45.49 per cent. of the Enlarged Share Capital.

Total Expenses of the Issue

The total expenses incurred by the Company in connection with the Placing and Admission are approximately £405,390. No expenses will be charged to the Investors.

Why is this Prospectus being produced?

The objective of the Company is to raise funds in order to execute its strategy to develop its Monte Muambe mining asset, and to undertake further acquisitions in the rare earths sector, and to carry out its day-to-day administrative functions required as for a listed company.

Net Proceeds of the Fundraising

Conditional on Admission, the Company has raised £2,000,000 Gross Proceeds in the Fundraising resulting in net proceeds of the Fundraising of £1,594,610 ("**Net Proceeds**"). Total expenses incurred by the Company in connection with the Fundraising and Admission are approximately £405,390 of which approximately £71,260 each exclusive of VAT has been paid to date. None of the Fundraising costs will be charged to the Placees or to any Shareholders.

It is anticipated that the Fundraising proceeds of £1,665,870 being the Gross Proceeds of the Fundraising less the associated costs of the Fundraising and Admission not yet paid, together with the Company's aggregate negative cash resources of £32,000 at the date of this Document, will be used as follows:

Use of Cash Resources and Net Proceeds within 12 Months from Admission

	£
Monte Muambe Phase 2 Exploration	223,000
Monte Muambe Phase 3 Exploration – commencement	229,000
Directors fees and salary	402,000
Administrative Costs and General Working capital requirements	351,000
Repayment of loans and interest*	231,000*
Reserve funds**	197,870
	1,633,870
	1,633,870

* This figure includes debt to CCL. CCL may elect to receive the due interest and capital in Altona ordinary shares at the lower price of either 5 pence, or the price of any required adjustment event the Company may carry out during the period while the loan is unpaid. The Company and CCL have agreed this amount will be repaid in cash on the earlier of 30 June 2023 and Admission and therefore no Ordinary Shares will be issued in satisfaction of this debt.

** Funds to be used for exploration at Monte Muambe assuming conversion of Convertible Loan Notes

The Placing is not underwritten but each Placee has provided a firm commitment to subscribe for the Placing Shares.

The most material conflicts of interest pertaining to the Placing and Admission

The Directors do not believe there are any material conflicts of interest pertaining to the Placing and Admission.

RISK FACTORS

The risks noted above do not necessarily comprise all those faced by the Group. The Directors have presented the risks which they currently consider are material to the Group, although additional risks may exist, however the risks presented are those material risks which the Directors are currently aware of. There may be special risks if an investor holds Shares in certain jurisdictions.

An investment in Shares is speculative and may not be suitable for all recipients of this Document. Potential UK investors are accordingly advised to consult a person authorised under the FSMA who specialises in advising in investments of this kind before making any investment decisions. Non-UK investors are advised to consult another appropriately authorised independent adviser who specialises in advising on the acquisition of shares and other securities. A prospective investor should consider carefully whether an investment in the Company is suitable in the light of their personal circumstances and the financial resources available to them.

RISKS RELATING TO THE MONTE MUAMBE PROJECT

Title Risk

Monte Muambe:

The Company has investigated the title to, and the rights and interests set out in, the Licence held by MMM. To the best of its knowledge, such title and interests are in good standing. However, this should not be construed as a guarantee of the same. The Licence held by MMM may be subject to undetected defects. If a defect does exist, it is possible that the Company may lose all or part of its interest in the Monte Muambe Project.

The Company has complied, to date, with all conditions of the Licence.

Monte Muambe Project Mining Licence risk

MMM holds the Licence, which is an existing Exploration Licence which has been renewed by the Company for a period of three (3) years, i.e. to 22 May 2025. In order to undertake mining development and production activities, a Mining Licence must be held by the relevant party looking to conduct the activities, which may or may not be granted. An Exploration Licence holder enjoys a preference in the granting of a Mining Licence, which it has applied for on a timely basis. Should the Exploration Licence holder comply with all the relevant legislation during the exploration phase a Mining Licence is likely to be granted but cannot be guaranteed.

Mineral, metallurgical and geological risks

The Project has seen significant amounts of drilling which has allowed the preparation of a JORC Exploration Target estimate. However, no Mineral Resource Estimate has been produced so far. Further exploration work is therefore required to establish a Mineral Resource Estimate. The potential quantity and grade of any product is presently conceptual in nature and it is uncertain if further exploration will result in the estimation of a mineral resource. The Company will need to undertake additional exploration works to establish reasonable grounds for a saleable product. If the final REE grade is less than anticipated this will reduce the quantum of saleable product and as the Project is dependent on the production of quality REE to make the project economic, this could have a material impact on the Group's financial position in the future.

Stage of development

The Company will initially focus on the exploration of the Project; however, there can be no assurance that the Licence will be brought into production or that the Project will ever be profitable. The commercial viability of REE deposits of the kind located and believed to be located at the Monte Muambe Project area is dependent upon a number of factors, including, but not limited to, the market price of the component REE's, the quality, size and other attributes of the deposits and the proximity to, and availability of, infrastructure necessary to develop, exploit and transport minerals on a commercial scale.

Impact of environmental and social issues affecting the Project

The Monte Muambe Project is still at an exploration stage of project development and further consideration will need to be given to environmental and social issues affecting the Monte Muambe

Project. Environmental and safety legislation (e.g. in relation to reclamation, disposal of waste products, protection of wildlife and otherwise relating to environmental protection) may change in a manner that may require stricter or additional standards than those now in effect, a heightened degree of responsibility for companies and their directors and employees and more stringent enforcement of existing laws and regulations. There may also be unforeseen environmental liabilities resulting from future mining or production activities, which may be costly to remedy. Potential environmental liabilities as a result of unfulfilled environmental obligations by the previous owners may impact the Group. Risks may include on-site sources of environmental contamination such as oil and fuel from the mining equipment and rehabilitation of the site upon expiry of the Licence. Under the laws of Mozambique, MMM is required to decommission and rehabilitate the area affected by the mining activities, accordingly there will be a potential cost associated with undertaking these obligations. MMM will be required to provide a restoration bond in respect of any drilling and other operations. It is currently unknown what this could be but the funding of this could have a material impact on the Group's financial position in the future.

The Group has not purchased insurance for environmental risks (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) as it is not generally available at a price which the Group regards as reasonable.

RISKS RELATING TO MOZAMBIQUE

Government regulation and political risk

MMM's operating activities will be subject to laws and regulations governing expropriation of property, health and worker safety, employment standards, waste disposal, protection of the environment, mine development, land and water use, prospecting, mineral production, exports, taxes, labour standards, occupational health standards, toxic wastes, the protection of endangered and protected species and other matters. While the Company believes that MMM is in substantial compliance with all material current laws and regulations affecting its activities, future changes in applicable laws, regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of existing permits and agreements applicable to MMM or its properties, which could have a material adverse impact on the Group's current operations or planned exploration and development projects. Where required, obtaining necessary permits and licences can be a complex, time consuming process and the Company cannot be assured whether any necessary permits will be obtainable on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict MMM from proceeding with any future exploration or development of its properties. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in interruption or closure of exploration, development or mining operations or material fines, penalties or other liabilities.

The Muambe Rare Earths Project is located in Mozambique. MMM's activities may be affected in varying degrees by political stability and governmental regulations. Any changes in regulations or shifts in political attitudes in this country or any other countries in which the Group may operate are beyond the control of the Group and may adversely affect its operations.

Legal system and litigation risk

The licence that has been transferred to MMM is granted under and governed by the laws of Mozambique and is granted subject to conditions, including minimum annual expenditure commitments and reporting commitments. Similar conditions may be applied to future mining permits acquired by the Company or its subsidiaries. Failure to comply with these conditions may result in forfeiture of the Monte Muambe Project Licences. Furthermore, the licences that are held by the Group are subject to periodic extension. Whilst there is no reason to believe that such extensions will not be granted, the Company cannot guarantee that this will occur. New conditions may also be imposed on the Monte Muambe Project licence (and any additional future mining permits held by the Group) under the renewal process which may adversely affect the Company.

Mozambique may have a less developed legal system than more established economies which could result in risks such as (i) effective legal redress in the courts, whether in respect of a breach of law or regulation, or in an ownership dispute, being more difficult to obtain; (ii) a higher degree of discretion on the part of governmental authorities; (iii) the lack of judicial or administrative guidance

on interpreting applicable rules and regulations; (iv) inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions; (v) relative inexperience of the judiciary and courts in such matters and (vi) political interference or corruption in the administration of justice. In certain jurisdictions the commitment of local business people, government officials and agencies and the judicial system to abide by legal requirements and negotiated agreements may be more uncertain, creating particular concerns with respect to the Group's permits and agreements for business. These may be susceptible to revision or cancellation and legal redress may be uncertain or delayed. There can be no assurance that joint ventures, licences, licence applications or other legal arrangements will not be adversely affected by the actions of government authorities or others and the effectiveness of and enforcement of such arrangements in these jurisdictions cannot be assured.

Terrorism risk

In 2017, terrorist attacks began in the northern side of the country, more particular in the Cabo Delgado province where the liquefied natural gas projects are being developed by TOTAL, Eni and ExxonMobil, which has caused the onshore projects to be halted in March 2021, although the offshore project with the first gas scheduled for 2022 continues. Currently a joint Rwanda and SADC member forces (Angola, South Africa, Botswana, Lesotho, Zimbabwe, Malawi and Tanzania) are on the ground trying to eradicate the terrorist cells and have recaptured Mocimboa da Praia, a District headquarters in Cabo Delgado. However, despite this climate of relative instability, the country continued to attract major investments and major projects established in the country remained in progress.

Transportation infrastructure

Central to MMM's ability to become a commercial mining operation is access to a transportation system through which it can transport future production to a port for onward export by sea. While the Monte Muambe Project does not benefit from close proximity to the nearest port, there are developed transportation infrastructure out of the Tete province where the Monte Muambe Project will be implemented namely the Sena or the Nacala rail line up to Beira or Nacala ports, however, MMM will need to connect to such infrastructure and there is a risk that such infrastructure will not be properly maintained.

RISKS RELATING TO ADDITIONAL ACQUISITIONS

Although the Company will seek to evaluate the risks inherent in a particular target business (including geographic region in which it operates), it cannot offer any assurance that it will make a proper discovery or assessment of all of the significant risks. Furthermore, no assurance may be made that an investment in Shares will ultimately prove to be more favourable to Investors than a direct investment, if such opportunity were available, in any target company or business. As the Company does not expect that Shareholder approval will be required in connection with an Acquisition, investors will be relying on the Company's and the Director's ability to identify potential targets, evaluate their merits, conduct or monitor diligence and conduct negotiations.

There is no assurance that the Company will identify suitable Acquisition opportunities in a timely manner or at all which could result in a loss on your investment

The Company's business strategy includes its ability to identify sufficient additional suitable acquisition opportunities. The Company cannot estimate how long it will take to identify suitable acquisition opportunities or whether it will be able to identify any suitable additional acquisition opportunities at all. If the Company fails to complete a proposed acquisition (for example, because it has been outbid by a competitor) it may be left with unrecovered transaction costs, potentially including break fees, legal costs or other expenses. Furthermore, even if an agreement is reached relating to a proposed acquisition, the Company may fail to complete such acquisition for reasons beyond its control. Any such event will result in a loss to the Company of the related costs incurred, which could materially adversely affect subsequent attempts to identify and acquire another target business.

The Company has in relation to MMM, and may in respect of additional Acquisitions, choose to use Shares as consideration

The Company is required, in relation to its acquisition of its interests in MMM, and may in respect of additional Acquisitions, issue Shares (and/or cash) as consideration for the relevant Acquisition.

There is no guarantee that Shares will be an attractive offer for the shareholders of any company or business which the Company identifies as a suitable Acquisition opportunity. If the Company fails to identify a target company which is willing to accept share consideration, it may have to raise additional cash funds and may be left with substantial unrecovered transaction costs, potentially including fees, legal costs, accounting costs, due diligence or other expenses.

There is no assurance that any prospecting and development work at Monte Muambe, or subsequent Acquisitions will be successful or, that they will be effective in increasing the valuation of any business acquired

For MMM, and following any additional Acquisition, the Company intends to endeavour to generate Shareholder value through capital adequacy, operational improvements, economies of scale and through an acquisition programme. However, there can be no assurance that the Company will be able to propose and implement effective operational improvements for any company or business which the Company acquires. In addition, even if the Company completes an additional Acquisition, general economic and market conditions or other factors outside the Company's control could make the Company's operating strategies difficult or impossible to implement. Any failure to implement these operational improvements successfully and/or the failure of these operational improvements to deliver the anticipated benefits could have a material adverse effect on the Company's results of operations and financial condition.

The Group may face significant competition for Acquisition opportunities

There may be significant competition in some or all of the Acquisition opportunities that the Company may explore. Such competition may for example come from strategic buyers, sovereign wealth funds, special purpose acquisition companies and public and private investment funds many of which are well established and have extensive experience in identifying and completing Acquisitions. A number of these competitors may possess greater technical, financial, human and other resources than the Group. The Company cannot assure Investors that it will be successful against such competition. Such competition may cause the Group to be unsuccessful in executing additional Acquisitions or may result in a successful Acquisition being made at a significantly higher price than would otherwise have been the case.

Any due diligence by the Company in connection with an Acquisition may not reveal all relevant considerations or liabilities of the target business, which could have a material adverse effect on the Group's financial condition or results of operations

In undertaking future Acquisitions, the Company intends to conduct such due diligence as it deems reasonably practicable and appropriate based on the facts and circumstances applicable to any potential Acquisition. The objective of the due diligence process will be to identify material issues which might affect the decision to proceed with any one particular Acquisition target or the consideration payable for an Acquisition. The Company also intends to use information revealed during the due diligence process to formulate its business and operational planning for, and its valuation of, any target company or business. Whilst conducting due diligence and assessing a potential Acquisition, the Company will rely on publicly available information, if any, information provided by the relevant target company to the extent such company is willing or able to provide such information and, in some circumstances, third party investigations.

There can be no assurance that the due diligence undertaken with respect to a potential Acquisition will reveal all relevant facts that may be necessary to evaluate such Acquisition including the determination of the price the Company may pay for an Acquisition target, or to formulate a business plan. Furthermore, the information provided during due diligence may be incomplete, inadequate or inaccurate. As part of the due diligence process, the Company will also make subjective judgements regarding the results of operations, financial condition and prospects of a potential opportunity. If the due diligence investigation fails to correctly identify material issues and liabilities that may be present in a target company or business, or if the Company considers such material risks to be commercially acceptable relative to the opportunity, and the Company proceeds with an Acquisition, the Company may subsequently incur substantial impairment charges or other losses. In addition, following an Acquisition, the Company may be subject to significant, previously undisclosed liabilities of the acquired business that were not identified during due diligence and which could contribute to poor operational performance, undermine any attempt to restructure the acquired company or business in line with the Company's business plan and have a material adverse effect on the Group's financial condition and results of operations.

The Company may be unable to complete future Acquisitions or to fund the operations of the target business if it does not obtain additional funding

If, in undertaking the Project or following an Acquisition, the Company's cash reserves are insufficient, the Company will likely be required to seek additional equity. The Company may not receive sufficient support from its existing Shareholders to raise additional equity, and new equity investors may be unwilling to invest on terms that are favourable to the Company, or at all. To the extent that additional equity is necessary to complete the Acquisition or its operations on current assets and remains unavailable or only available on terms that are unacceptable to the Company, the Company may be compelled either to restructure or abandon an Acquisition, or proceed with an Acquisition on less favourable terms, which may reduce the Company's return on the investment.

Even if additional financing is unnecessary to complete an Acquisition, the Company may subsequently require equity financing to implement operational improvements in the acquired business. The failure to secure additional financing or to secure such additional financing on terms acceptable to the Company could have a material adverse effect on the continued development or growth of the acquired business.

The Company will be subject to restrictions in offering its Shares as consideration for Acquisitions in certain jurisdictions and may have to provide alternative consideration, which may have an adverse effect on its operations

The Company may offer its Shares or other securities as part of the consideration to fund, or in connection with, an Acquisition. However, certain jurisdictions may restrict the Company's use of its Shares or other securities for this purpose, which could result in the Company needing to use alternative sources of consideration, including the need to raise additional equity. Such restrictions may limit the Company's available Acquisition opportunities or make a certain Acquisition more costly.

As a UK public company, the City Code may apply to an Acquisition. If the Company were to implement an Acquisition by way of a takeover offer, the City Code, broadly, will apply in connection with an offer for the Company as a UK public company. If the Share consideration were to exceed 30% of the issued shares of the Company, a derogation, to be granted by the Takeover Panel, may be required to implement such consideration structure under the City Code, and such derogation is not certain. Otherwise, the holder(s) of the Share consideration may be required under the City Code to make an offer to all shareholders for the entirety of their Shares. There can be no assurance that the Takeover Panel would grant such a derogation (most particularly where the target has a more than insignificant percentage of US shareholders that are not Qualified Institutional Buyers (as that term is defined by Rule 144A of the Securities Act)). This need to comply with the City Code in a takeover offer may adversely impact the Company's ability to implement the most efficient structure for acquiring a target company or business which is subject to the City Code.

The Company's principal source of operating cash will be income received from the businesses it has acquired or established

The Company is and will be dependent on the income generated by the Project and additional acquired businesses to meet the Group's expenses and operating cash requirements (if any). The amount of distributions and dividends, if any, which may be paid from any operating subsidiary to the Company will depend on many factors, including such subsidiary's results of operations and financial condition, limits on dividends under applicable law, its constitutional documents, documents governing any indebtedness of the Company, and other factors which may be outside the control of the Company. If the acquired business is unable to generate sufficient cash flow, the Company may be unable to pay its expenses or make distributions and dividends on the Shares.

The Group may be subject to foreign investment and exchange risks

The Company's functional and presentational currency is Pounds Sterling. As a result, the Company's consolidated financial statements will carry the Company's assets in Pounds Sterling. Any business the Group acquires may denominate its financial information in a currency other than Pounds Sterling, conduct operations or make sales in currencies other than Pounds Sterling. When consolidating a business that has functional currencies other than Pounds Sterling, the Company will be required to translate, *inter alia*, the balance sheet and operational results of such business into Pounds Sterling. Due to the foregoing, changes in exchange rates between Pounds Sterling and

other currencies could lead to significant changes in the Company's reported financial results from period to period. Among the factors that may affect currency values are trade balances, levels of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political or regulatory developments. Although the Company may seek to manage its foreign exchange exposure, including by active use of hedging and derivative instruments, there is no assurance that such arrangements will be entered into or available at all times when the Company wishes to use them or that they will be sufficient to cover the risk.

The Company has identified a number of African countries in which it will seek to acquire a target company or business and may be subject to risks particular to one or more countries in which it operates
The Company will focus on acquiring a target company or business in the REE sector in Africa where there are known REE deposits. The Company may therefore acquire a target company or business in, or with substantial operations in, a number of jurisdictions, any of which may expose it to considerations or risks associated with a company operating in such jurisdiction, including but not limited to:

- (a) regulatory and political uncertainty;
- (b) tariffs, trade barriers and regulations related to customs and import/export matters;
- (c) international tax issues, such as tax law changes and variations in tax laws;
- (d) cultural and language differences;
- (e) rules and regulations on currency conversion or corporate withholding taxes on individuals;
- (f) currency fluctuations and exchange controls;
- (g) employment regulations;
- (h) crime, strikes, riots, civil disturbances, terrorist attacks and wars; and
- (i) deterioration of relevant political relations.

Any exposure to such risks due to the country in which the Company operates following an Acquisition could negatively impact the Company's operations.

The Company may be unable to hire or retain personnel required to support the Company after an Acquisition

Following completion of an Acquisition, the Company will evaluate the personnel of the acquired business and may determine that it requires increased support to operate and manage the acquired business in accordance with the Company's overall business strategy. There can be no assurance that existing personnel of the acquired business will be adequate or qualified to carry out the Company's strategy, or that the Company will be able to hire or retain experienced, qualified employees to carry out the Company's strategy.

RISKS RELATING TO MINERAL, COMMODITIES AND EXPLORATION

Rare Earth Elements prices

Rare earth elements prices are determined by the supply coming out of China, which currently controls the processing of over 90% of all rare earths used in manufacturing around the world. The Covid-19 pandemic affected prices in the first half of 2020, as manufacturing industries slowed due to the restrictions put in place by China over its lockdown and containment measures, but prices rebounded sharply during H2 2020, when these measures were lifted. Currently, REE prices are at an all time high and expected to continue to rise into 2023.

However, the dependence upon China for the supply of these metals, coupled with China's own rising need for rare earths, can and does cause bottlenecks in the supply chain, causing prices to fluctuate significantly. Certain rare earths are needed in critical industries such as the electric vehicle market, or in the manufacture of wind turbine motors, therefore sustained demand is rising.

There is also price risk associated with market speculation regarding possible trade restrictions between China and US, as was seen in late 2020, but which did not materialise.

A risk is present, therefore, until an alternative viable source of rare earth elements is found outside China, to ensure a regular supply of metals to the growing industries which rely heavily upon them.

Governmental instability including political, legal and commercial instability in the countries and territories in which the Rare Earth Elements sector operates may affect the viability of the Company's operations

The Group may operate in regions with varying degrees of commercial, legal and political stability. The Monte Muambe Project is based in Mozambique, and the Company intends to seek additional Acquisitions in Central, Southern or East Africa, although it will not limit itself to this geographic region if an Acquisition arises elsewhere. Regional changes in the political landscape by civil and social pressures could cause regime change, policy reforms or changes in legal or governmental regulations. These changes may result in expropriation or nationalisation of a target's assets. Nullification or renegotiation concerning pre-existing concessions, agreements, leases and permits held by a target business, changes to economic policies, including but not limited to taxes or royalty rates, or currency restrictions are all possibilities. Regional instability due to corruption, bribery and generally underdeveloped corporate governance polices have the potential to lead to similar consequences. These risks could have a materially adverse effect on the profitability, the ability to finance, or in extreme cases, the viability of an operation.

Moreover, political pressures and fiscal constraints could lead governments to impose higher taxes on operations in the rare earth elements sector. These taxes or other types of expropriation of assets could be imposed on the Group by any jurisdiction both before and after any Acquisition. The Company's earnings growth may be constrained by delays or shutdowns as a result of political, commercial or legal instability, and may be constrained if subjected to increased taxation or other expropriation. The ability of the Company to generate long term value for Shareholders could be impacted by these risks.

EXPLORATION AND DEVELOPMENT RISKS

Safety, health and environmental exposures and related regulations may expose the Group to increased litigation, compliance costs, interruptions to operations, unforeseen environmental remediation expenses and loss of reputation

The Rare Earth Elements sector involves extractive enterprises. These endeavours often make the sector a hazardous industry. The industry is highly regulated by health, safety and environmental laws. The Group's operations may be subject to these kinds of governmental regulations in any region in which it operates. Operations are subject to general and specific regulations and restrictions governing drilling and production, mining and processing, land tenure and use, environmental requirements (including site specific environmental licences, permits and remediation requirements), workplace health and safety, social impacts and other laws.

The Group's operations may create environmental risks including dust, noise or leakage of polluting substances from its operations. Failing to adequately manage environmental risks or to provide safe working environments could cause harm to the Company's employees or the environment surrounding the operations site. Facilities are subject to closure by governmental authorities and the Group may be subject to fines and penalties, liability to employees and third parties for injury, statutory liability for environmental remediation and other financial consequences, which may be significant. The Company may also suffer impairment of reputation, industrial action or difficulty in recruiting and retaining skilled employees. Subsequent changes in regulations, laws or community expectations that govern the Company's operations could result in increased compliance and remediation costs. Any of the foregoing developments could have a materially adverse effect on the Company's results of operations, cash flows or financial condition.

Natural disasters may affect prospecting and mining operations and have a material impact on the productivity of the operations and may not be covered by insurance

Natural disasters, including earthquakes, drought, floods, fire, tropical storms and the physical effects of climate change, all of which are outside the Company's control, may adversely affect the Company's operations. Operating difficulties, such as unexpected geological variations that could result in significant failure, could affect the costs and feasibility of its operations for indeterminate periods. Damage to or breakdown of a physical asset, including as a result of fire, explosion or natural catastrophe, can result in a loss of assets and financial losses. Insurance may provide protection from some, but not all, of the costs that may arise from unforeseen events. Although the Company intends to maintain adequate insurance, the Company's insurance may not cover every

possible risk connected with its operations. Adequate insurance at a reasonable cost is not always available. The Company's insurance may not cover its liability or the consequences of any business disruptions such as equipment failure or labour dispute. The occurrence of a significant adverse event not fully covered by insurance could have a material adverse effect on the Company's business, results of operations, financial condition and prospects.

Labour disruptions could adversely affect the Company's results of operations, cash flows and financial condition

Strikes and the potential of conflict with unions or employees may occur at any one of the Group's operations or in any regions in which the Group operates. A significant portion of the Company's workforce may be unionised. Labour interruptions may be employed to advocate labour, political or social goals. Labour interruptions have the potential to increase operational costs and decrease revenues by suspending the business activities or increasing the cost of substitute labour, which may not be available. If such disruptions are material, they may adversely affect the Company's results of operations, cash flows and financial condition.

COMMODITY AND CURRENCY RISK

Currency exchange rate fluctuations may negatively affect the Company after any Acquisition

The Placing will raise proceeds denominated in British Pounds Sterling. However, the markets for the commodities produced are typically listed in US dollars. The Net Proceeds will be held in the Company's bank account. The Company does not intend to hedge the Net Proceeds against risks associated with disadvantageous movements in the currency exchange rates until after it has identified additional Acquisition targets. Therefore, currency exchange rate fluctuations from the closing date of the Placing until the date it hedges the currency exchange rate in connection with an Acquisition may negatively affect the Company. The Company does not intend to enter into such hedging activities.

Additionally, the Company may be exposed to ongoing currency risk. While the Company's financial statements are stated in British Pounds Sterling, and certain ongoing management costs will be denominated in British Pounds Sterling, the price of its products (and thus its revenues) will be determined by world commodities markets which are typically expressed in US dollars, and depending on the location of an acquired target, the Group may have operating expenses denominated in another currency. Consequently, changes in the exchange rates of these currencies may negatively affect the Company's cash flows, operating results or financial condition to a material extent.

Competition

The Rare Earth Elements sector is competitive in all of its phases. The Company faces strong competition from other companies in connection with any future Acquisitions of mineral producing properties, or which properties are capable of producing, as well as for the recruitment and retention of qualified employees. Larger companies, in particular, may have access to greater financial resources, operational experience and technical capabilities than the Company which may give them a competitive advantage.

RISKS RELATING TO THE SHARES

Dilution of Shareholders' Interests

Following Admission, the Project requires the issue of Consideration Shares to the sellers of the Project and the Company will need to raise additional funds for the operational mining work of the Company, carry out future Acquisitions and/or meet expenditure obligations of the Group. If additional funds are raised through the issuance of new equity or equity-linked securities of the Company other than on a *pro rata* basis to existing Shareholders, the percentage ownership of the Shareholders may be reduced, Shareholders may experience subsequent dilution and/or such securities may, subject to Shareholder approval, have preferred rights, options and pre-emption rights senior to the Shares. The Directors intend that the Company should be able to issue new Shares as consideration for possible Acquisitions and/or raise additional working capital for the Company as required. Insofar as such new Shares are not offered first to existing Shareholders, then their interests in the Company will be diluted.

The pre-emption rights contained in the Act may be disapplied for Shareholders in certain circumstances and the Company may issue securities or incur substantial debt to raise capital or complete a further Acquisition, which may dilute the interests of Shareholders or affect the Company's results of operations (due to increased interest expense) and liquidity.

The Company may in the future issue a substantial number of additional Shares either as noted above or on exercise of any warrants or share options granted by the Company, each of which will have a dilutive effect on the existing Shareholders.

If Shares are issued as consideration for further Acquisitions, where a target company has an existing large shareholder, an issue of Shares as consideration may result in such shareholder subsequently holding a significant or majority stake in the Company, which may, in turn, enable it to exert significant influence over the Company (to a greater or lesser extent depending on the size of its holding).

In the event that all Existing Warrants as granted prior to Admission are exercised in full, the Shareholders at Admission will be diluted by 22.07 per cent. In the event that the Shareholder Authority Resolutions are passed and the Conditional Warrants are granted and all Existing Warrants, Fundraising Warrants, Convertible Loan Notes, IPO Broker Warrants, Performance Warrants, CLN Broker Warrants, CLN Warrants and Piggyback Options and CCL Warrants are exercised, Shareholders at Admission will be diluted by 151.99 per cent.

The proposed Standard Listing of the Shares will afford Investors a lower level of regulatory protection than a Premium Listing

Application will be made for the Shares to be admitted to a Standard Listing on the Official List. A Standard Listing will afford Investors in the Company a lower level of regulatory protection than that afforded to investors in a company with a Premium Listing, which is subject to additional obligations under the Listing Rules. However, the Company has undertaken to comply with Listing Rule 7 on a voluntary basis. However, a Standard Listing will afford Investors a higher level of regulatory protection than currently afforded to investors by the AQSE. A Standard Listing will not permit the Company to gain a FTSE indexation, which may have an adverse effect on the valuation of the Shares.

Further details regarding the differences in the protections afforded by a Premium Listing as against a Standard Listing are set out in the section entitled Consequences of a Standard Listing on page 22 of this Document.

Illiquid market

Notwithstanding the fact that the Company was previously listed on AQSE and intends to make an application for the Enlarged Issued Share Capital to be admitted to the Standard Listing segment of the Main Market of the London Stock Exchange, this should not be taken as implying that there will be a "liquid" market in the Shares. An active liquid market for the Shares may not develop and the market price of the Shares may be lower than the Placing Price and may be highly volatile. The market for shares in smaller public companies is less liquid than for larger public companies. The Company cannot predict the effects on the price of the Shares if a liquid and active market for the Shares does not develop. In addition, if such a market does not develop, relatively small sales may have a significant negative impact on the price of the Shares and sales of a significant number of Shares may be difficult to execute at a stable price. Shareholders accordingly may not be able to realise their investment at or above the Placing Price.

Investors may not be able to realise returns on their investment in Shares within a period that they would consider to be reasonable

Investments in Shares may be relatively illiquid. There may be a limited number of Shareholders and this factor, together with the number of Shares to be issued pursuant to the Placing, may contribute both to infrequent trading in the Shares on the London Stock Exchange and to volatile share price movements. Investors should not expect that they will necessarily be able to realise their investment in Shares within a period that they would regard as reasonable. Accordingly, the Shares may not be suitable for short-term investment. Admission should not be taken as implying that there will be an active trading market for the Shares. Even if an active trading market develops, the market price for the Shares may fall below the Placing Price.

Dividend payments on the Shares are not guaranteed

It is the Board's intention during the current phase of the Company's development to retain future distributable profits from the business, to the extent any are generated. Additionally, the Board does not anticipate declaring any dividends in the foreseeable future but may recommend dividends at some future date, depending upon the generation of sustainable profits and the Company's financial position, when it becomes commercially prudent to do so. The Company can therefore give no assurance that it will be able to pay dividends going forward or as to the amount of such dividends, if any.

Continued eligibility for the Official List

If the Company undertook an acquisition that would be deemed a reverse takeover under the Listing Rules, and the resultant enlarged group had a market capitalisation of less than £30 million, it would not be eligible for readmission to the Official List and to trading on the Main Market of the London Stock Exchange. In such circumstances, the Company would have to seek admission to an alternative market. However, whilst it is in the Company's strategy to seek additional acquisitions of mining projects, it is not the Directors' current intention to consider any Acquisition that would result in the Company having to seek admission to an alternative market.

RISKS RELATING TO TAXATION

Taxation of returns from assets located outside of the UK may reduce any net return to Shareholders

To the extent that the assets, company or business which the Company acquires is or are established outside the UK, it is possible that any return the Company receives from it may be reduced by irrecoverable foreign withholding or other local taxes and this may reduce any net return derived by Shareholders from an investment in the Company.

Changes in tax law may reduce any net returns for Shareholders

The tax treatment of Shareholders of Shares issued by the Company, any special purpose vehicle that the Company may establish and any company which the Company may acquire are all subject to changes in tax laws or practices in the UK or any other relevant jurisdiction. Any change may reduce any net return derived by Shareholders from an investment in the Company.

There can be no assurance that the Company will be able to make returns for Shareholders in a tax-efficient manner. It is intended that the Company will act as the holding company to a trading group including the Project and any company or assets acquired in any Acquisition, to maximise returns for Shareholders in as fiscally efficient a manner as is practicable. The Company has made certain assumptions regarding taxation. However, if these assumptions are not borne out in practice, taxes may be imposed with respect to any of the Company's assets, or the Company may be subject to tax on its income, profits, gains or distributions in a particular jurisdiction or jurisdictions in excess of taxes that were anticipated. This could alter the post-tax returns for Shareholders (or Shareholders in certain jurisdictions). The level of return for Shareholders may also be adversely affected. Any change in laws or tax authority practices could also adversely affect any post-tax returns of capital to Shareholders or payments of dividends (if any, which the Company does not envisage the payment of, at least in the short to medium-term). In addition, the Company may incur costs in taking steps to mitigate any such adverse effect on the post-tax returns for Shareholders.

RISKS RELATING TO THE COMPANY'S RELATIONSHIP WITH THE DIRECTORS AND CONFLICTS OF INTEREST

The Company is dependent upon the Directors to identify potential Acquisition opportunities and the loss of the services of the Directors could materially adversely affect it

The Company will rely heavily on a small number of key individuals, in particular the Directors, to execute its exploration programmes and to identify and execute potential Acquisition opportunities. The retention of their services cannot be guaranteed. Accordingly, the loss of any such key individual may have a material adverse effect on the Company's ability to complete its current programme of operations and identify potential Acquisition opportunities and to execute future Acquisitions.

In addition, there is a risk that the Company will not be able to recruit executives of sufficient expertise or experience to identify and maximise any opportunity that presents itself, or that recruiting and retaining those executives is more costly or takes longer than expected. The failure to

attract and retain those individuals may adversely affect the Company's ability to execute its exploration programmes or to complete future Acquisitions.

The Directors may allocate their time to other businesses leading to potential conflicts of interest in their determination as to how much time to devote to the Company's affairs, which could have a negative impact on the Company's ability to develop its business

The Non-Executive Directors are engaged in other business endeavours and are not obligated to devote any specific number of hours to the Company's affairs. If the Executive Directors' other business affairs require them to devote more substantial amounts of time to such affairs, it could limit their ability to devote time to the Company's affairs and could have a negative impact on the Company's ability to consummate its strategy or to operate the business and create value for the shareholders. In addition, although the Directors must act in the Company's best interests and owe certain fiduciary duties to the Company, they are not necessarily obligated to present business opportunities to the Company.

The Directors may enter into related party transactions with the Company, which may give rise to conflicts of interest between the Company on the one hand and the Directors on the other hand

The Directors and one or more of their affiliates may in the future enter into agreements other than related to their engagement or employment with the Company. While the Company will not enter into any related party transaction without the approval of a majority of the non-conflicted Directors, it is possible that the entering into of such an agreement would give rise to a conflict between the interest of the Company and that of the relevant Director and may lead to the Company not achieving the contractual terms that it might otherwise have been able to achieve.

CONSEQUENCES OF A STANDARD LISTING

Application has been made for the Enlarged Share Capital to be admitted to a listing on the standard segment of the Official List pursuant to Chapter 14 of the Listing Rules, which sets out the requirements for Standard Listings, and for such Ordinary Shares to be admitted to trading on the London Stock Exchange's Main Market for listed securities. As a consequence, a significant number of the Listing Rules will not apply to the Company. Shareholders will therefore not receive the full protection of the Listing Rules associated with a Premium Listing.

The Company will comply with Listing Principles 1 and 2 as set out in Chapter 7 of the Listing Rules, as required by the FCA and (notwithstanding that they only apply to companies with a Premium Listing) the Premium Listing Principles set out in Chapter 7 of the Listing Rules.

An applicant that is applying for a Standard Listing of equity securities must comply with all the requirements listed in Chapters 2 and 14 of the Listing Rules, which specify the requirements for listing for all securities. Where an application is made for the admission to the Official List of a class of shares, at least 10 per cent. of the shares of the class must be distributed to the public. Listing Rule 14.3 sets out the continuing obligations applicable to companies with a Standard Listing and requires that such companies' listed equity shares be admitted to trading on a regulated market at all times. Such companies must have at least 10 per cent. of the shares of any listed class in public hands at all times and the FCA must be notified as soon as possible if these holdings fall below that level.

The continuing obligations under Chapter 14 also include requirements as to:

- the forwarding of circulars and other documentation to the FCA for publication through to the National Storage Mechanism, and related notification to a regulatory information service authorised by the FCA ("RIS");
- the provision of contact details of appropriate persons nominated to act as a first point of contact with the FCA in relation to compliance with the Listing Rules and the Disclosure and Transparency Rules;
- the form and content of temporary and definitive documents of title;
- the appointment of a registrar;
- notifying an RIS in relation to changes to equity and debt capital; and
- compliance with, in particular, Chapters 4, 5 and 6 of the Disclosure and Transparency Rules.

As a company with a Standard Listing, following Admission, the Company will not be required to comply with, among other things, the provisions of Chapters 6 and 8 to 13 of the Listing Rules, which set out more onerous requirements for issuers with a Premium Listing of equity securities. These include provisions relating to certain listing principles, the requirement to appoint a sponsor, various continuing obligations, significant transactions, related party transactions, dealings in own securities and treasury shares and contents of circulars.

The Company notes that in the case of an acquisition, the reverse takeover provisions set out in Listing Rule 5.6 may be triggered.

The Company will comply with Chapter 5 of the Listing Rules (suspending, cancelling and restoring listing and Reverse Takeovers). If the Company undertakes a Reverse Takeover, the Company's existing Standard Listing will be cancelled and the Company would intend to apply for a new Standard Listing or a listing on another appropriate securities market or stock exchange. The granting of a new Standard Listing or a listing on another appropriate securities market or stock exchange following a Reverse Takeover cannot be certain. The Company may have its listing suspended in the event of a Reverse Takeover.

On 2 December 2021, the FCA published the Policy Statement PS21/22, which, amongst other changes, increased the required minimum aggregate market value of an issuer's shares at admission from £700,000 to £30,000,000. Considering that the Company completed a submission for a listing eligibility review before 4pm on 2 December 2021, the transitional provisions provided for in Policy Statement PS21/22 will apply to the Company. As a result, the Company will be able to apply for listing based on the minimum market capitalisation of £700,000.

As mentioned above, while the Company has a Standard Listing, it is not required to comply with the provisions of, among other things:

- Chapter 6 of the Listing Rules containing additional requirements for the listing of equity securities, which are only applicable for companies with a Premium Listing;
- Chapter 8 of the Listing Rules regarding the appointment of a listing sponsor to guide the Company in understanding and meeting its responsibilities under the Listing Rules in connection with certain matters;
- Chapter 9 of the Listing Rules regarding continuous obligations for a company with a Premium Listing, which includes, *inter alia*, requirements relating to further issues of shares, the ability to issue shares at a discount in excess of 10 per cent. of market value, notifications, and contents of financial information;
- Chapter 10 of the Listing Rules relating to significant transactions meaning any subsequent additional acquisitions by the Company, will not require Shareholder approval under this Chapter (although such approval may be required for the purposes of facilitating the financing arrangements or for other legal or regulatory reasons);
- Chapter 11 of the Listing Rules regarding related party transactions. However, the Company is obliged to comply with DTR7.3 relating to related party transactions. DTR7.3 requires the Company to establish and maintain adequate procedures, systems and controls to enable it to assess whether a transaction or arrangement with a related party is in the ordinary course of business and has been concluded on normal market terms, and: to (i) make an announcement; (ii) gain Board approval; and (iii) ensure the related party or their associates do not vote on any resolution, relating to material related party transactions;
- Chapter 12 of the Listing Rules regarding purchases by the Company of its Ordinary Shares; and
- Chapter 13 of the Listing Rules regarding the form and content of circulars to be sent to Shareholders.

IT SHOULD BE NOTED THAT THE FCA WILL NOT HAVE THE AUTHORITY TO AND WILL NOT MONITOR THE COMPANY'S COMPLIANCE WITH ANY OF THE PREMIUM LISTING PRINCIPLES WHICH THE COMPANY HAS INDICATED IN THIS DOCUMENT THAT IT INTENDS TO COMPLY WITH ON A VOLUNTARY BASIS, NOR TO IMPOSE SANCTIONS IN RESPECT OF ANY FAILURE BY THE COMPANY TO SO COMPLY. HOWEVER, THE FCA WOULD BE ABLE TO IMPOSE SANCTIONS FOR NON-COMPLIANCE WHERE THE STATEMENTS REGARDING COMPLIANCE IN THIS DOCUMENT ARE THEMSELVES MISLEADING, FALSE OR DECEPTIVE.

IMPORTANT INFORMATION

In deciding whether or not to invest in Shares prospective investors should rely only on the information contained in this Document. No person has been authorised to give any information or make any representations other than as contained in this Document and, if given or made, such information or representations must not be relied on as having been authorised by the Company or the Directors. Without prejudice to the Company's obligations under the FSMA, Prospectus Rules, Listing Rules and Disclosure Guidance and Transparency Rules, neither the delivery of this Document nor any subscription made under this Document shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Document or that the information contained herein is correct as at any time after its date.

Prospective investors must not treat the contents of this Document or any subsequent communications from the Company, the Directors, or any of their respective affiliates, officers, directors, employees or agents as advice relating to legal, taxation, accounting, regulatory, investment or any other matters.

The section headed "Summary" should be read as an introduction to this Document. Any decision to invest in the Shares should be based on consideration of this Document as a whole by the investor. In particular, investors must read the section headed Section D (Risks) of the Summary together with the risks set out in the section headed "Risk Factors" beginning on page 11 of this Document.

Neither the Financial Adviser nor the Broker and any person acting on its behalf makes any representations or warranties, express or implied, with respect to the completeness or accuracy of this Document nor does any such person authorise the contents of this Document. No such person accepts any responsibility or liability whatsoever for the contents of this Document or for any other statement made or purported to be made by it or on its behalf in connection with the Company, the Shares, the Placing or Admission. The Financial Adviser and the Broker accordingly each disclaims all and any liability whether arising in tort or contract or otherwise which they might otherwise have in respect of this Document or any such statement. Neither Financial Adviser nor the Broker and any person acting on their behalf accepts responsibility or obligation to update, review or revise the information in this Document or to publish or distribute any information which comes to its attention after the date of this Document, and the distribution of this Document shall not constitute a representation by the Financial Adviser and the Broker, or any such person, that this Document will be updated, reviewed, revised or that any such information will be published or distributed after the date hereof.

The Broker and any affiliate thereof acting as an Investor for its or their own account(s) may subscribe for, retain, purchase or sell Shares for its or their own account(s) and may offer or sell such securities otherwise than in connection with the Placing. Nor does the Broker intend to disclose the extent of any such investments or transactions otherwise than in accordance with any applicable legal or regulatory requirements.

This Document does not constitute, and may not be used for the purposes of, an offer to sell or an invitation or the solicitation of an offer or invitation to subscribe for or buy, any Shares by any person in any jurisdiction: (i) in which such offer or invitation is not authorised; (ii) in which the person making such offer or invitation is not qualified to do so; or (iii) in which, or to any person to whom, it is unlawful to make such offer, solicitation or invitation. The distribution of this Document and the offering of Shares in certain jurisdictions may be restricted. Accordingly, persons outside the United Kingdom who obtain possession of this Document are required by the Company and the Directors to inform themselves about, and to observe any restrictions as to the offer or sale of Shares and the distribution of, this Document under the laws and regulations of any territory in connection with any applications for Shares including obtaining any requisite governmental or other consent and observing any other formality prescribed in such territory. No action has been taken or will be taken in any jurisdiction by the Company or the Directors that would permit a public offering of the Shares in any jurisdiction where action for that purpose is required nor has any such action been taken with respect to the possession or distribution of this Document other than in any jurisdiction where action for that purpose is required. Neither the Company nor the Directors accept any responsibility for any violation of any of these restrictions by any person.

This Document is not a 'prospectus', 'product disclosure statement' or other 'disclosure document' for the purposes of the Australian Corporations Act and is not required to be lodged with ASIC or

the ASX. Accordingly, a person may not (directly or indirectly) offer for subscription or purchase or issue invitations to subscribe for or buy or sell the Shares, or distribute this admission document where such offer, issue or distribution is received by a person in the Commonwealth of Australia, its territories or possessions, except if:

- (a) the amount payable by the transferee in relation to the Shares is A\$500,000 or more or if the offer or invitation to the transferee is otherwise an offer or invitation that does not require disclosure to investors in accordance with part 6D.2 or part 7.9 of the Corporations Act; or
- (b) the offer or invitation does not constitute an offer to a 'retail client' under Chapter 7 of the Australian Corporations Act. The Shares have not been and will not be registered under the Securities Act, or under any relevant securities laws of any state or other jurisdiction in the United States, or under the applicable securities laws of South Africa, the Republic of Ireland, Canada or Japan. Subject to certain exceptions, the Shares may not be, offered, sold, resold, reoffered, pledged, transferred, distributed or delivered, directly or indirectly, within, into or in the United States, South Africa, the Republic of Ireland, Canada or Japan or to any national, resident or citizen of South Africa, the Republic of Ireland, Canada or Japan.

The Shares have not been approved or disapproved by the United States Securities and Exchange Commission, any federal or state securities commission in the United States or any other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Shares or confirmed the accuracy or determined the adequacy of the information contained in this Document. Any representation to the contrary is a criminal offence in the United States.

Investors may be required to bear the financial risk of an investment in the Shares for an indefinite period. Prospective investors are also notified that the Company may be classified as a passive foreign investment company for United States federal income tax purposes. If the Company is so classified, the Company may, but is not obliged to, provide to U.S. holders of Shares the information that would be necessary in order for such persons to make a qualified electing fund election with respect to the Shares for any year in which the Company is a passive foreign investment company.

Data protection

The Company may delegate certain administrative functions to third parties and will require such third parties to comply with data protection and regulatory requirements of any jurisdiction in which data processing occurs. Such information will be held and processed by the Company (or any third party, functionary or agent appointed by the Company) for the following purposes:

- verifying the identity of the prospective investor to comply with statutory and regulatory requirements in relation to anti-money laundering procedures;
- carrying out the business of the Company and the administering of interests in the Company;
- meeting the legal, regulatory, reporting and/or financial obligations of the Company in the United Kingdom or elsewhere; and
- disclosing personal data to other functionaries of, or advisers to, the Company to operate and/or administer the Company.

Where appropriate it may be necessary for the Company (or any third party, functionary or agent appointed by the Company) to:

- disclose personal data to third party service providers, agents or functionaries appointed by the Company to provide services to prospective investors; and
- transfer personal data outside of the EEA to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective investors as the United Kingdom.

If the Company (or any third party, functionary or agent appointed by the Company) discloses personal data to such a third party, agent or functionary and/or makes such a transfer of personal data it will use reasonable endeavours to ensure that any third party, agent or functionary to whom the relevant personal data is disclosed or transferred is contractually bound to provide an adequate level of protection in respect of such personal data.

In providing such personal data, investors will be deemed to have agreed to the processing of such personal data in the manner described above. Prospective investors are responsible for informing any third-party individual to whom the personal data relates of the disclosure and use of such data in accordance with these provisions

Investment considerations

In making an investment decision, prospective investors must rely on their own examination, analysis and enquiry of the Company, this Document and the terms of the Admission, including the merits and risks involved. The contents of this Document are not to be construed as advice relating to legal, financial, taxation, investment decisions or any other matter. Investors should inform themselves as to:

- the legal requirements within their own countries for the purchase, holding, transfer or other disposal of the Shares;
- any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of the Shares which they might encounter; and
- the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of the Shares or distributions by the Company, either on a liquidation and distribution or otherwise. Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, Investment or any other *related* matters concerning the Company and an investment therein.

An investment in the Company should be regarded as a long-term investment. There can be no assurance that the Company's objective will be achieved. At this time, the Company does not intend to make accommodations regarding its financial information to assist any holders with their tax obligations.

It should be remembered that the price of the Shares and any income from such Shares, can go down as well as up.

This Document should be read in its entirety before making any investment in the Shares. All Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of, the provisions of the Memorandum of Association of the Company and the Articles, which investors should review.

Forward-looking statements

This Document includes statements that are, or may be deemed to be, "forward-looking statements", including those contained in Part I of this Document. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms "targets", "believes", "estimates", "anticipates", "expects", "intends", "may", "will", "should", "could" or, in each case, their negative or other variations or comparable terminology. They appear in a number of places throughout the Document and include statements regarding the intentions, beliefs or current expectations of the Company and the Board concerning, among other things: (i) the Company's objective, Acquisition and financing strategies, results of operations, financial condition, capital resources, prospects, capital appreciation of the Shares and dividends; and (ii) future deal flow and implementation of active management strategies, including any further Acquisition. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performances. The Group's actual performance, results of operations, financial condition, distributions to Shareholders and the development of its financing strategies may differ materially from the forward-looking statements contained in this Document. In addition, even if the Group's actual performance, results of operations, financial condition, distributions to Shareholders and the development of its financing strategies are consistent with the forward-looking statements contained in this Document, those results or developments may not be indicative of results or developments in subsequent periods.

Prospective investors should carefully review the "Risk Factors" section of this Document for a discussion of additional factors that could cause the Company's actual results to differ materially, before making an investment decision. **For the avoidance of doubt, nothing in this Document**

constitutes a qualification of the working capital statement contained in paragraph 9 “Working Capital” of Part VII “Additional Information” of this Document.

There can be no assurance that the results and events contemplated by the forward-looking statements contained in this Document will, in fact, occur. These forward-looking statements are correct only as at the date of this Document. The Company will not undertake any obligation to release publicly any revisions to these forward looking statements to reflect events, circumstances or unanticipated events occurring after the date of this Document except as required by law or by regulatory authority, including the Listing Rules, Prospectus Rules, DTR and Market Abuse Regulations.

Third party data

Where information contained in this Document has been sourced from a third party, the Company and the Directors confirm that such information has been accurately reproduced and, so far as they are aware and have been able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Where third party information has been used in this Document, the source of such information has been identified. The Company takes responsibility for compiling and extracting, but has not independently verified, market data provided by third parties.

Currency presentation

Unless otherwise indicated, all references in this Document to “£”, “Pound Sterling” or “Pounds” are to the lawful currency of the U.K., and to “\$” or “US Dollars” are to the lawful currency of the United States.

International Financial Reporting Standards

As required by the Act and Article 4 of the European Union IAS Regulation, the financial statements of the Company for the prior financial year ending 30 June 2021 were prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006. (note 1 of the accounts).

For the year ending 30 June 2022, the financial statements of the Group were prepared in accordance with UK-adopted international accounting standards (“**UK IFRS**”).

No incorporation of website

The contents of any website of the Company or any other person do not form part of this Document.

Definitions

A list of defined terms used in this Document is set out in “Definitions” beginning at page 227.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this Document	31 May 2023
Admission and commencement of dealings in the Enlarged Share Capital	8:00 a.m. on 9 June 2023
Crediting of new Fundraising Shares to CREST Accounts	9 June 2023
Certificates for Fundraising Shares dispatched	within 10 business days of Admission

All references to time in this Document are to London time unless otherwise stated

STATISTICS

Total number of Existing Shares in issue as at the date of this Document	37,484,999
Total number of Placing Shares to be issued on Admission	33,546,000
Total number of Subscription Shares to be issued on Admission	6,454,000
Gross Proceeds of the Fundraising	£2,000,000
Total number of Fee Shares (including the CCL Amendment Fee Shares) to be issued on Admission	4,918,200
The Enlarged Share Capital in issue on Admission	82,403,199
Number of Shares to be issued on Admission pursuant to the Fundraising as a percentage of the Enlarged Share Capital	48.54 per cent.
Number of Warrants in issue at the date of this Document	18,183,801
Subject to passing the Shareholder Authority Resolutions, the number of Warrants (including Piggyback Options) in issue immediately following the general meeting	119,746,561
Maximum Number of Warrants to be held by Optiva, which are subject to passing the Shareholder Authority Resolutions	14,062,760
Number of Fundraising Warrants to be issued, subject to passing the Shareholder Authority Resolutions	40,000,000
Maximum number of Piggyback Options to be granted under the Fundraising Warrant Instrument, subject to passing the Shareholder Authority Resolutions	40,000,000
Estimated costs in relation to the Placing and Admission	£405,390
Net Proceeds	£1,594,610
Placing Price for the Placing	5 pence
Market capitalisation of the Company at the Placing Price ¹	£4,120,160

¹ On 2 December 2021, the FCA published the Policy Statement PS21/22, which, amongst other changes, increased the required minimum aggregate market value of an issuer's shares at admission from £700,000 to £30,000,000. Considering that the Company completed a submission for a listing eligibility review before 4pm on 2 December 2021, the transitional provisions provided for in Policy Statement PS21/22 will apply to the Company. As a result, the Company will be able to apply for listing based on the minimum market capitalisation of £700,000.

DEALING CODES

ISIN	GB00BFZNV91
SEDOL	BFZNV91
LEI	2138002A5GU9BFS2I491
TIDM	REE

DIRECTORS, SECRETARY AND ADVISERS

Directors	Martin John Wood (Non-Executive Chairman) Christian Mark Taylor-Wilkinson (Chief Executive Officer – resigning on Admission) Cédric Valéry Gérard Simonet (Chief Operating Officer – to be appointed Chief Executive Officer on Admission) Audrey Mamoshoeshoe Mothupi (Non-Executive Director)
Proposed Directors	Louise Adrian (Chief Financial Officer) Simon Charles (Non-Executive Director)
Registered Office and principal place of business	Eccleston Yards 25 Eccleston Place London SW1W 9NF
Company website	www.altonaRE.com
Company Secretary	Orana Corporate LLP
Auditors and Reporting Accountants	PKF Littlejohn LLP 15 Westferry Circus, London E14 4HD
Financial Adviser	Novum Securities Limited 2 nd Floor, Lansdowne House 57 Berkeley Square London W1J 6ER
Broker	Optiva Securities Limited 49 Berkeley Square London W1J 5AZ
Company’s Solicitors	Mildwaters Consulting LLP 44 – 46 Regent Street Rugby Warwickshire CV21 2PS
Legal Advisers to the Financial Adviser and Broker	Armstrong Teasdale LLP 38-43 Lincoln’s Inn Fields London WC2A 3PE
Competent Person for Monte Muambe	Joshua Hattingh Rock and Stock Investments (Pty) Ltd PO Box 691, Montagu, 6720, South Africa,
Registrar	Share Registrars Limited 3 The Millennium Centre Crosby Way Farnham Surrey GU9 7XX
Principal bankers	HSBC Bank Plc 39 Tottenham Court Road London W1T 2AR

PART I

INFORMATION ON THE GROUP'S STRATEGY

1 INTRODUCTION

- 1.1. The Company was incorporated with limited liability under the laws of England and Wales under the Companies Act 1985 on 2 February 2005 with number 05350512 under the name Altona Resources Plc. The Company changed its name to Altona Energy Plc on 19 December 2008. The Company changed its name to Altona Rare Earths Plc on 27 February 2021. The principal legislation under which the Company operates is the Companies Act 2006 and the regulations made thereunder. The Company's registered office is located at Eccleston Yards 25 Eccleston Place London SW1W 9NF. The Company's financial year ends on 30 June.
- 1.2. On Admission, the Company will be authorised to issue one class of ordinary shares (the "Shares"). In addition, the Company has two classes of deferred shares. It is intended that the Shares will be admitted by the FCA to a Standard Listing and to trading on the London Stock Exchange's Main Market for listed securities. No application will be made for any of the Deferred Shares to be admitted to trading.
- 1.3. The Board considers that a listing on the Main Market may attract greater opportunities than the previous admission to trading on the AQSE, both from the perspective of Investors, who may not be willing or able to invest in a company whose shares are listed on a different securities exchange, and from the perspective of a target company, which may only consider accepting share consideration as part of the acquisition, from a company whose shares are admitted to the Official List of the London Stock Exchange.

2. HISTORY OF THE COMPANY'S BUSINESS

2.1. Historic Mining Business (2005 to 2018)

The Company was established and has been operating since its incorporation as a mining exploration company. The Company listed on AIM on 10 March 2005. Primarily, until the end of 2019, the focus of the Company's business was in South Australia, where it owned the exploration licences over three coal mining tenements (Wintinna, Westfield and Murloocoppie), 400 miles north of Adelaide, known as the Arckaringa Project. The licences covered an area of 2,500 km² and consisted mainly of scrub, desert and hills.

In November 2014, a Chinese consortium of two companies (Sino-Aus Energy Group Ltd and Wintask Limited) expressed an interest to invest in the project, as they had been developing a new technique to extract deep coal with low environmental impact, known as In-Situ Gasification, or Underground Coal Gasification (UCG). Each Chinese investor appointed a representative to the board around this time. In December 2014 a joint venture company was established (Arckaringa Coal Chemical Company Pty Ltd), with Wintask and Sino-Aus to investigate the project more thoroughly. In November 2015 a revised joint venture agreement was signed, where Sino-Aus and Wintask agreed to invest AUD33 million into the project. The Company would retain a 45% holding in the joint venture company, with Sino-Aus holding 45% and Wintask a 10% interest, once all funds had been paid.

In April 2016, Sino-Aus made its first payment to the project of AUD 4.0 million, with a further AUD 1.4 million to follow before the end of the month. However, it was announced in July 2016 that the project was on hold, due to the Company not owning the correct licence for In-Situ gasification. This caused the joint venture partners to delay their investment into the project and the JV returned the initial tranche of AUD 5.4 million to Sino-Aus. Whilst the Company held exploration licences, suitable for coal exploration via traditional drilling methods, it did not own the Petroleum Exploration Licence it needed to conduct hydrocarbon based exploration. This licence, PELA604, was owned by a US mining company, Tri-Star Petroleum Inc. who had other Australian mining interests and who were not inclined to sell PELA604 to the Company. This effectively ended the large-scale coal mining project at Arckaringa, but during 2017 and 2018 the Company continued to search for smaller, shallower deposits in its Westfield tenement which it could mine via traditional extraction methods.

By mid-2018, the Company had failed to find suitable deposits in the Westfield tenement of an economical size and it therefore brought in new investors who introduced the Company to a new sector, pyrolysis, the burning of plastic waste to convert into usable gases. This venture was brief and failed. At the beginning of November 2018, the Company's Nomad, Northland Capital, resigned. Following this event, in January 2019, the majority of the board of directors either resigned or were voted off the board by shareholders, leaving the Company to be run by its two Chinese directors.

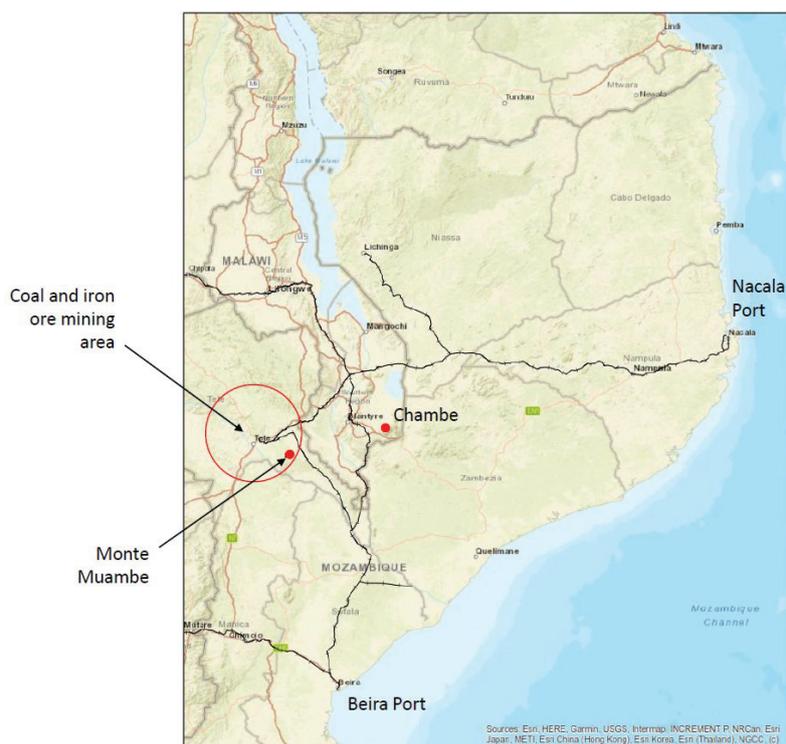
2.2. New Management and Mining Opportunities (2019 to present)

On 1 February 2019, Christian Taylor-Wilkinson was appointed to the board as a Non-Executive Director, to ensure that corporate governance and the Company's shareholders were attended to correctly. Mr Taylor-Wilkinson's involvement with Altona began in 2014, when his financial public relations agency, Leander PR Ltd, was appointed by Altona to advise on its shareholder communications. Phillip Sutherland, a long-term Non-Executive Director, who had resigned from the board in November 2018, was re-appointed to the board in March 2019. During the first half of 2019, the Company was introduced to a mining project in China, for the production of Vanadium Pentoxide. In June 2019, the board visited the project in the Xi'an Province and met with the owners. After a full assessment of the project, the board voted against acquiring this asset. Following this decision, the Company agreed to focus its attention outside China and Australia. It did not renew its three exploration licences in South Australia, which lapsed in June 2019. The two Chinese directors resigned from the board during late 2019 and early 2020 to pursue other business interests. Mr Taylor-Wilkinson was appointed Interim CEO in March 2020 and then made full time Chief Executive on 1 December 2020.

The Company appointed a Chairman in October 2020 and a COO in October 2021. It also appointed three new Non-Executive Directors, two in March 2021 and one in November 2021, bringing the number of board members to six. One Non-Executive Director resigned on 7 March 2022.

During the first half of 2020, the Company investigated new avenues of investment and potential revenue generation, researching a variety of mining projects and jurisdictions around the world, before agreeing that Rare Earth Elements mining in Africa could present a high value and scalable business opportunity for the Company and its shareholders. The Company has, to date, made one acquisition in the rare earth element sectors during 2021, which is detailed in this document. The Company incorporated a subsidiary in Uganda on 19 April 2021, Altona Rare Earths (Uganda) Limited, in preparation for any potential Acquisition. However this subsidiary is currently dormant. The Company incorporated another subsidiary in Tanzania on 5 August 2021, Altona Rare Earths (Tanzania) Limited, also in preparation for any potential Acquisition. This company has been registered on the Tanzania Mining Cadastre and is ready to proceed with license applications, but aside from this it is currently dormant. On 27 May 2022 the Company incorporated three subsidiaries in Mozambique, Altona Mozambique Lda, Altona Mozambique II Lda, and Altona Mozambique III Lda, in preparation for any potential new license application in Mozambique. These companies are presently dormant.

The Company has a continuing strategy to acquire majority interests in several REE mining companies, mining projects or licences which it believes will offer a suitable return to investors. The figure below demonstrates the location of the Monte Muambe Project.



On Admission, Louise Adrian and Simon Charles will join the Board respectively as Chief Financial Officer and Non-Executive Director. Also on Admission, Cédric Simonet will be appointed Chief Executive Officer and Christian Taylor-Wilkinson will step down from the Board as Chief Executive Officer.

3. MONTE MUAMBE PROJECT ACQUISITION

3.1. Terms of the Acquisition

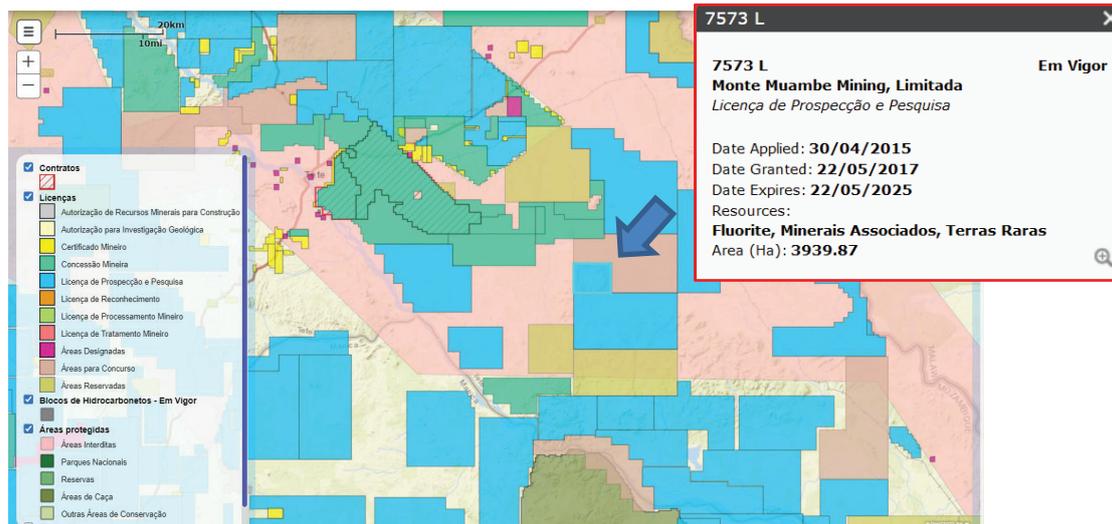
The Company made its first investment in June 2021 based on the new REE strategy. It entered into a Farmout Agreement with USSOKOTI INVESTIMENTOS SOCIEDADE UNIPessoal, Limitada (“**UIL**”), a company registered in Mozambique, MONTE MUAMBE MINING, LDA (“**MMM**”) and the 3 individuals who initially owned MMM (“**Sellers**”) on 23 June 2021. UIL at the time held Prospecting Licence 7573L, granted by the Government of Mozambique on 22 May 2017 for an initial term expiring on 22 May 2022, entitling the holder to prospect for fluorite, rare earths, and associated minerals, covering a surface area of 3,939.96 Ha. It also held certain associated Statutory Licences, including an application for land rights (DUAT) as well as prospecting data, located in Tete Province, Mozambique (together the “**Muambe Licence**”). On 26 October 2022 the Muambe Licence was transferred from UIL to MMM, in accordance with the terms of the Farmout Agreement and was extended for a further three-year term expiring on 22 May 2025. . The Licence gives the right to apply, upon completion of a feasibility study, for a Mining Licence. It covers the following commodities: fluorite, rare earths, and associated minerals and covers the entire carbonatite with an extent of 3,939ha (approx. 39 km².) The Monte Muambe Farmout Agreement sets out a four-year phased work programme and budget which will earn the Company an increasing shareholding in MMM of up to 70% from its initial holding of 1% at completion, and is more fully described in paragraph 21 of Part VII, including the payment obligations to the Sellers and the obligation for Altona to issue up to 3,000,000 Consideration Shares to the Sellers. Following completion of Phase 1 of the Project and the satisfaction of the Group’s commitments in respect of this, the Group now holds a 20% interest in MMM.

Following registration of the new board of directors of MMM, which occurred on 12 August 2021, the Company also has control of the board and Cédric Simonet was appointed as Managing Director of MMM to further give control over MMM to Altona. Christian Taylor-Wilkinson is also a Director of MMM.

- 3.2. In the period between the date on which the Company took control of MMM and the date on which governmental consent was received to the assignment of the Muambe Licence from UIL to MMM (“**Interim Period**”), Altona and MMM had the following rights and obligations:
 - 3.2.1. UIL appointed MMM as its agent as Operator to initiate the undertaking of the operations on the Muambe Licence (“**Monte Muambe Project**”). Governmental consent to the appointment of MMM and issue of the Operatorship Licence to MMM was duly granted by the competent authority, Direcção Nacional de Geologia e Minas (DNGM) on 2 August 2021 under applicable law and is valid for 5 years, i.e., 2 August 2026;
 - 3.2.2. Altona provided MMM all the personnel, expertise, and finance to enable MMM to act as Operator of the Muambe Licence and carry out the Monte Muambe Project;
 - 3.2.3. to establish a work programme and budget for MMM to conduct a 3,000m RC drilling programme with the objective of identifying targets of a workable size with a minimum potential of at least 25 million tonnes at 2% total rare earths oxide (“**TREO**”) as “**Phase 1**” of the Monte Muambe Project;
- 3.3. Altona’s paying interest in the Monte Muambe Project will be 100%; and
- 3.4. Altona will have control of the management of MMM in order to undertake the Monte Muambe Project.
- 3.5. The Monte Muambe Project will be undertaken in 3 phases:
 - 3.5.1. during Phase 1, which the Group completed on 13 March 2022, Altona was required to expend US\$400,000 in undertaking the Monte Muambe Project. Upon completion of Phase 1 the Group acquired an additional 19% in MMM, to take its holding to the present 20%;
 - 3.5.2. during Phase 2, which the Group commenced on 9 May 2022, Altona is required to expend US\$700,000 in undertaking the Monte Muambe Project and to prepare a JORC Mineral Resource Estimate and a Scoping Study, and on incurring these costs and completing these deliverables, becomes entitled to an additional 31% of MMM, to take its holding to 51%. At the date of this Document, the Group has exceeded this minimum spend requirement but has not yet completed the deliverables; and
 - 3.5.3. if Altona elects to proceed to Phase 3, during Phase 3 Altona is required to expend US\$2,000,000 and to prepare a Prefeasibility Study in undertaking the Monte Muambe Project and on incurring these costs and completing this deliverable, becomes entitled to an additional 19% of MMM, to take its holding to 70%.

Further details of the Farmout Agreement are set out in paragraph 21 of Part VII.

On 26 October 2022, INAMI formally notified MMM in writing that the Minister, MIREME, approved the renewal of the Licence and its transfer from UIL to MMM. MMM has since then fulfilled the requirements of the INAMI notification, including the payment of required transfer, registration, and annual surface taxes. License 7573L is now displayed on the Mozambique Mining Cadastre as held by MMM, being valid, and expiring on 22 May 2025.



3.6. The application for a Mining Licence, which will be valid for 25 years, is expected to be lodged once the Mineral Resource Estimate and the Scoping Study have been produced, in the second half of 2023.

3.7. Monte Muambe Project

Monte Muambe is a carbonatite volcano located 38 km southeast of the coal town Moatize in the Tete Province of Mozambique in southern Africa. It is approximately 55 km southeast of the city of Tete itself. The main railway line from Moatize to Beira is approximately 17km to the east of Monte Muambe and the area has tarred and secondary gravel roads. Monte Muambe is located in a zone of intense natural resource-driven infrastructure development, which has attracted most infrastructure investment in the South African development community over the past 10 years. Monte Muambe is located within the Moatize district, near existing coal mines (ICVL, Vale/Mitsui, Jindal), the Baobab iron ore mine and steel plant project, and a mere 17 km away from the Moatize-Beira railway line. It is connected to the Nacala port through the Nacala Corridor railway line, which is used by the coal mines to export coal through the port of Nacala. Monte Muambe to Nacala by rail is approximately 880 km, Monte Muambe to Beira by rail is approximately 500 km and Monte Muambe to Beira by road is 700 to 750 km. The property itself, is readily accessible as an access track has been constructed into the crater itself. The climate is typically a summer rainfall (thunderstorms) area with extremely hot weather experienced at the end of the year (October, November, December). The area has been explored for its mineral potential since the early 1960's with the Portuguese geologist Bettencourt-Diaz having spent two field seasons exploring for REE and U in 1960 and 1961. During the early 1980's fluorite was discovered by Beograd and a number of trenches completed. The company Grupo Madal carried on this work in 1998 and completed geophysical airborne survey, and, later together with BHP, collected a bulk sample of the fluorite mineralisation which was subject to metallurgical bench studies by the group MINTEK in South Africa. In 2008 the Australian listed junior mining company Globe Metals and Mining (Globe) commenced exploration of the known fluorite deposit. This involved the drilling of 97 RC drill holes and an inferred maiden resource for the fluorite mineralisation was delivered in 2012. This company also started to identify REE mineralisation at this time and a reverse circulation ("RC") borehole programme, focused on a number of radiometric targets, was completed. Samples indicated highly anomalous REE mineralisation over substantial lengths of drilling. Unfortunately, towards the end of 2012 all operations stopped with Globe having completed 165 holes for a total of 12,587m. Since then, the project has not been developed further.

In early October 2021, Altona initiated a diamond drilling ("DD") and RC drilling programme to obtain a better understanding of the REE mineralisation model at Muambe, to test lateral extensions of previously identified REE mineralisation, and to test additional REE targets at

Muambe based on existing geochemical and geophysical data. As at 30 November 2021, Altona had completed 38 RC holes totalling 2,441 m and 5 DD holes totalling 590 m. Samples obtained from drilling were being prepared for shipment to the assay laboratory.

Since the Company started Phase 1 in July 2021 it has an established team of up to 26 people on the ground including an experienced Mozambican project manager, junior geologists and field technicians, and support personnel. The team has been successfully implementing the first phase of drilling, completed in November 2021, which included 2,441 m of RC and 590 m of DD, an extensive soil geochemistry survey in February-March 2022, and is currently in the resource drilling phase (Phase 2).

The second phase of drilling (Phase 2) took place between 9 May 2022 and 28 November 2022. This involved:

- 36 RC holes for a total of 3,360m, focusing mainly on Targets 1 and 4, and aimed at producing data to support a maiden Mineral Resource Estimate; and
- 26 short RC holes (25m depth max per hole) totalling 593.83m, aimed at testing other targets

At the date of this Document, samples from Phase 2 drilling have been sent to the laboratory for geochemical assay and metallurgical testing.



3.8. Monte Muambe Project Geology

The Monte Muambe carbonatite makes up one of many carbonatites and alkaline silicate intrusions which together form part of the Mesozoic Chilwa Alkaline Province. A number of economically significant carbonatites occur within this Province including the Kangankunde and Songwe REE deposits in nearby Malawi. Carbonatites mainly occur in rift environments and span a range of intrusive ages from the Archaean through to the present day. Apart from approximately 300 known larger bodies, including Monte Muambe, numerous smaller veins, dikes, and plugs are known worldwide. Often these minor intrusions are themselves related to nearby large igneous carbonatite centres, although some may be related to buried intrusive carbonatites that have not yet been identified. A striking association between carbonatites and under saturated alkaline silicate rocks is noted. As both are generated from the mantle this is unsurprising. Presently there are 28 mines located on carbonatites which are producing mineral commodities such as apatite, REE, niobium, vermiculite, copper, and fluorite. It is noted therefore, that these mineral deposits comprise almost 10% of all the presently known, large, carbonatite complexes. The general prospectivity of finding an economic deposit of some nature in a newly prospected carbonatite complex is about 1 in 10. Very few exploration targets have these odds for successful exploration. A suite of characteristic elements known as the LIL's (large ion lithophile) as well as the HFSE's (high field strength element) is noted to occur within all carbonatites. These elements are almost always enriched relative to the chondrite norm – this enrichment often being of economic grades. The elements P, Nb, F,

REE, Zr, Sr, Th and Ba are enriched. Additionally, some carbonatites are significantly enriched in Cu, Fe, U, Y or Ti. The type of crust through which the carbonatite is emplaced potentially constrains the melt composition and therefore the mineralisation which could be expected. Equally the depth at which the carbonatite melt crystallises will exert control on mineral crystallisation so knowing where one is in the depth is important.

The carbonatite complex itself is approximately 4 km across with a pronounced steep sided circular hill describing a classic crater. The hill is generally composed of Karoo aged sedimentary rock which has been up thrown and altered by fenitisation within interpreted boundary ring faults. To date geological mapping is limited, however, a new map was being completed by Globe Metals and Mining (Figure 3) before activities were halted in 2012. It is possible some of the lithologies mapped, especially towards the south, may rather represent various cemented regolith types. This would be encouraging, as previously highlighted, supergene weathering within the regolith may enhance and enrich REE mineralisation considerably. Surrounding the intrusion to the north are Karoo age sedimentary strata which are generally undeformed with moderate to shallow dips, while in the southern exposures Jurassic age basalt can be recognised. Occasional basic Karoo age dykes and sills cross-cut the area and two nepheline syenite intrusions occur approximately 6km and 8km to the north of Monte Muambe.

Further information on the geology is set out in the CPR in Part III of this Document.

3.9. Previous drilling on the Monte Muambe Project and Altona's Phase 1 Exploration

An intensive RC drilling programme for the exploration for fluorite was completed by Globe Metals and Mining between 2010 and 2012. This drilling database, including logs and samples for 165 RC holes (totalling 12,584m), has been obtained during 2021 by the Company. Helicopter borne geophysical data acquired in 1998 by Grupo Madal were also obtained and reprocessed.

Phase 1 work was done between 1 September 2021 and 28 February 2022.

The main objective of the Phase 1 Work Program was to identify exploration targets on LPP 7573L for potential resources with a minimum tonnage of 25 million tons at 2% TREO, in compliance with the Farm-Out agreement of 23 June 2021.

The detailed objectives were:

- to review available exploration data;
- to validate the geological model of REE mineralization at Mt Muambe through surface mapping, ground proofing of radiometric anomalies, and diamond drilling at selected locations;
- to test the lateral extension of known REE mineralization identified from prior drilling data through RC and diamond drilling;
- to test other targets identified on the basis of soil and lithological sampling data as well as geomorphological characteristics of the area of interest through RC drilling; and
- to create and maintain a homogeneous database usable for the purpose of mineral resource estimates and competent person's reports.

38 RC holes totalling 2,541m, and 5 DD holes totalling 590m were drilled, exceeding the planned meterage of 3,000m. A total of 1,479 samples were sent to the laboratory.

REE mineralization was encountered in 4 of the 6 targets drilled, two of these occurrences being new discoveries (Targets 3 and 4). REE mineralization has been encountered in primary occurrences (carbonatite rock, and to a lesser extent fenite). The characteristics of known primary occurrences (from previous drilling data and from Phase 1 drilling data) confirmed that the potential of the project justified proceeding to Phase 2.

3.10. March 2022 drilling results on the Monte Muambe Project

On 17th March 2022, the Company announced it had results from Phase 1 of the project confirming the presence of REE levels in the expected range for carbonatite-hosted deposits. Duplicate samples from 3m RC composite samples have been analysed on site using the Company's recently procured pXRF analyser, providing immediate estimates of mineral content

in samples. These have confirmed the presence of carbonatite-hosted rare earth mineralisation, within the range of expected Total Rare Earth Oxide (“**TREO**”) for this type of deposits, in four of the six targets drilled, with two of the targets (holes MM021 and MM042) being new discoveries open in several directions. The Company has also sent 705 DD samples and 974 RC samples (including QAQC samples) to certified assay labs operated by Intertek in South Africa and Australia, with the full result set received in May 2022. Phase 1 total spend was £580,000.

3.11. Phase 1 Assay Results on the Monte Muambe Project

On 4 May 2022, the Company announced the final Phase 1 assay results from Monte Muambe showing significant REE levels across multiple target areas. Neodymium and Praseodymium (“**NdPr**”) levels, the key metals used in manufacture of permanent magnets for the drivetrains for electric vehicles and wind turbines, were identified in significant levels. Out of the six targets drilled, four have significant REE mineralisation and warrant follow-up, with two being new discoveries.

Significant Phase 1 intercepts are summarised below:

Hole ID		From	Length	TREO%	NdPrOx%
MM001		0	120.60	1.920	0.248
	Including	17.54	12.15	2.759	0.317
	Including	36.71	11.99	2.562	0.317
	Including	61.71	27.53	2.731	0.318
	Including	98.09	11.88	2.060	0.290
MM039		29.78	52.16	2.109	0.344
	Including	36.43	2.11	3.586	0.668
	Including	48.38	7.28	2.387	0.408
	Including	70.85	10.04	4.044	0.594
MM039		96.5	2.54	1.937	0.274
MM040		38.92	1.52	3.237	0.753
MM040		57.4	26.3	2.409	0.378
	Including	61.54	2.3	2.792	0.463
	Including	64.17	2.88	3.869	0.545
	Including	67.75	1.47	3.142	0.519
	Including	72.69	1.53	4.091	0.535
MM040		89.88	0.72	3.843	0.639
MM040		106.75	15.25	3.245	0.441

Table 1 – Significant Intercepts – RC holes

Hole ID		From	Length	TREO%	NdPrOx%
MM002		51	12	0.954	0.134
MM003		19	12	1.993	0.300
MM005		27	30	1.444	0.352
MM006		24	15	1.261	0.331
MM021		28	68	1.646	0.251
MM036		3	18	1.205	0.263
MM037		61	9	1.714	0.418
MM042		0	16	1.507	0.369
MM042		37	15	3.306	0.462
MM043		0	32	1.895	0.323
	Including	14	15	2.578	0.414
MM044		0	9	2.469	0.340
MM047		28	30	1.665	0.281

Table 2 – Significant Intercepts – DD holes

Note:

TREO% = sum of all rare earth oxide assay results including Yttrium

NdPrOx% = sum of Pr_6O_{11} and Nd_2O_3 assay results

3.12. Altona's Phase 2 Exploration

Phase 2 groundwork commenced in March 2022 and included additional soil sampling and ground geophysics to identify potential new targets. Phase 2 drilling took place between 9 May 2022 and 28 November 2022. This involved:

- 36 RC holes for a total of 3,360m, focusing mainly on Targets 1 and 4, and aimed at producing data to support a maiden Mineral Resource Estimate
- 26 short RC holes (25m depth max per hole) totalling 593.83m, aimed at testing other targets:

Target 1

- 2,501m drilled (26 RC holes), best TREO intercept 7.85%, best Nb₂O₅ intercept 1.70%.
- Target length extended from 100m to 700 m, foot-wall of orebody not encountered
- Mineralisation encountered to 120m below surface, open at depth

Target 4

- 417 m drilled (5 RC holes), best TREO intercept 6.37%.
- Target width 170 m
- Mineralisation encountered to 80m below surface, open at depth and towards Southeast

Target 9

- 442 m drilled (5 holes), best TREO intercept 5.52%
- Target geometry still being assessed

All samples and data are collected in accordance with the highest QAQC standards to ensure data compliance to JORC.

3.13. JORC Compliant Exploration Target Estimate

On 8 August 2022, the Company announced that it had completed an estimated exploration target of up to 56.6 million tonnes at up to 1.65% TREO based on its ongoing exploration work. The Company expects to publish a JORC Mineral Resource Estimate in May of 2023 which will be based on additional drilling, assaying all relevant samples at a certified laboratory, as well as topographical data collection.

This exploration target estimates relates to Mount Muambe's Targets 1 and 4 and uses data from drilling carried out over a 5 month programme up to 5 July 2022 and are shown in the table below:

Cut-off grade TREO%	Tonnes (millions)		TREO% ³	
	0.5% Grade Shell	1.0% Grade Shell	0.5% Grade Shell	1.0% Grade Shell
1.0%	56.6	21.7	1.65	1.78
2.0%	11.5	6.5	2.41	2.47

The above estimates were calculated using ordinary kriging for Target 1 and inverse distance to the power of 3 for Target 4, using grade shells based on a 0.5% TREO% cut-off and a 1.0% TREO% cut-off to constrain the block model estimations.

4. MOZAMBIQUE

4.1. Mozambique geography

The Republic of Mozambique is located in South-eastern Africa. It covers an area of 799,380 km², with a coastline approximately 2,470 km long. Mozambique is bordered by the Indian Ocean to the east, Tanzania to the north, Malawi and Zambia to the northwest, Zimbabwe to the west, and Eswatini (Swaziland) and South Africa to the southwest. The capital and largest city of Mozambique is Maputo.

Mozambique is endowed with rich and extensive natural resources. The country's economy is based largely on agriculture, but industry is growing, mainly food and beverages, chemical manufacturing and aluminium and petroleum production. The tourism sector is also expanding. South Africa is Mozambique's main trading partner and source of foreign direct investment, while Belgium, Brazil, Portugal and Spain are also among the country's most important economic partners. Since 2001, Mozambique's annual average GDP growth has been among the world's highest. However, the country is still one of the poorest and most underdeveloped countries in the world, ranking low in GDP per capita, human development, measures of inequality and average life expectancy.

The only official language of Mozambique is Portuguese, which is spoken mostly as a second language by about half the population. Common native languages include Makhuwa, Sena, and Swahili. The country's population of around 29 million is composed of overwhelmingly Bantu people. The largest religion in Mozambique is Christianity, with significant minorities following Islam and African traditional religions. Mozambique is a member of the United Nations, the African Union, the Commonwealth of Nations, the Organisation of the Islamic Cooperation, the Community of Portuguese Language Countries, the Non-Aligned Movement, the Southern African Development Community, and is an observer at La Francophonie.

4.2. History

Mozambique became independent in 1975, after 10 years of guerrilla war led by the Front for the Liberation of Mozambique (FRELIMO), the current ruling party. The general exodus of Portuguese settlers at independence resulted in a critical shortage of skilled labour in the country.

War returned to Mozambique shortly after independence. The Government's application of United Nations sanctions against the government of neighbouring Zimbabwe (then Rhodesia) led to cross-border raids. Later, with Rhodesian and South African assistance, the RENAMO guerrilla movement took form. RENAMO and Government forces fought a civil war until 1992 in the course of which thousands of lives were lost and much of the country's limited economic infrastructure was destroyed. In addition, Mozambique was the subject of an

experiment in central planning since 1975, which aggravated the destruction of the already feeble local economy. As a result, Mozambique became, and remains, one of the poorest countries in the world.

In 1984, Mozambique joined the International Monetary Fund (IMF) and the World Bank, and in 1987 began to implement a structural adjustment programme and a market economy. In 1992, a cease-fire between the Government and RENAMO was finally reached and the first multiparty elections were held in 1994. Since then economic growth has been robust. Four further rounds of national elections have been held since, with the FRELIMO party returning to power each time for consecutive five-year mandates. In October 2014, the FRELIMO party won a majority of seats in the Parliament and Hon. Filipe Jacinto Nyusi was elected President of the Republic. Nyusi was re-elected in 2019 for one last term of five years.

Mozambique is a multi-party democracy under the 1990 constitution. The executive branch comprises a President, Prime Minister, and Council of Ministers. There is a National Assembly and municipal assemblies. The judiciary comprises a Supreme Court and provincial, district, and municipal courts. Suffrage is universal at eighteen. Since its formation in 1994, the National Assembly has made progress in becoming a body increasingly more independent of the executive. By 1999, more than one-half (53%) of the legislation passed originated in the Assembly.

More recently, in 2018, the country has experienced moments of military tension in the centre of the country, perpetrated by a residual armed wing of the RENAMO, in protest for the election of a new RENAMO leader which negotiated a truce with the Government. The new RENAMO leader signed a new peace deal with the Government in 2019 and the residual army was demilitarised and reintegrated in the national army or in civilian life. Despite flares of sporadic attacks the situation in the centre of the country seems calm and controlled.

In 2017, terrorist attacks began in the northern side of the country, more particular in the Cabo Delgado province where the liquefied natural gas projects are being developed by TOTAL, Eni and ExxonMobil, to the extent that the onshore projects were halted in March 2021, but the offshore project with the first gas scheduled for 2022 continues. Currently a joint Rwanda and SADC member forces (Angola, South Africa, Botswana, Lesotho, Zimbabwe, Malawi and Tanzania) are on the ground trying to eradicate the terrorist cells, which had captured a whole Mocimboa da Praia District in Cabo Delgado. As well as this, the Company's project is located over 800km from the affected areas. However, despite this, the country continued to attract major investments and major projects established in the country remained in progress, as this risk is localised and only affects a few districts in the Cabo Delgado province.

4.3. Mozambique population

According to information published by the Institute of Social and Economic Studies and the National Institute of Statistics, in 2021, the Mozambican population was estimated to be 30,8 million. Current population growth rates are estimated at 2.7%, and life expectancy at birth is approximately 55 years. The majority of the Mozambican population is of Bantu origin. Within this group, several smaller groups are distinguishable. Of these, the most numerically significant are the Emakua, the Shangana, the Chisena and the Lomwe. There are also minorities of Asian and European descent.

4.4. Government and Political system

Mozambique is a presidential democracy, where the President is both the Head of State and the Head of Government. The 2004 Mozambican Constitution as amended in 2018 provides for the separation of the legislative, executive and judicial powers. Two hundred and fifty members of parliament are elected for five- year intervals by universal adult suffrage. The Mozambican State is unitary. Provincial governors are now directly elected while provincial State Secretaries are appointed by and serve the President.

Provincial governments, led by the Governor, are composed of directors who exercise local powers and perform the duties of the Ministries to which they belong. Thus, provincial directors are answerable to both the Governor, as the leader of the Provincial Government, and to the Minister, which overlooks their activities.

Mozambique has 43 municipalities whose governments are elected by universal adult suffrage by their residents. Municipal governments exercise their limited powers under the primary tutelage of the Ministry of State Administration.

4.5. **Economy**

At the end of the civil war in 1992 Mozambique was ranked as the poorest country in the world, with a GDP per capita of US\$110. Since then, the economy has expanded rapidly: between 2006 and 2010, GDP grew yearly by an average of 7.24% and, in 2014, estimated growth was 7.4%. The report of the World Economic Forum (2010) notes that Mozambique has a level of macroeconomic stability of 4.18 points above the average of 0.23 points in SADC.

Mozambique has also made rapid improvements in key social indicators over recent years. In the period between 1990 and 2007, Mozambique saw the fastest increase in the Human Development Index (HDI) in the world. Over the said 17- year period, HDI increased by almost 50%, albeit partly due to the catch-up effect from its low initial standpoint. Although Mozambique's HDI evolution has been irregular since 2007, overall its evolution has been positive since 2000. In fact, in 2013, Mozambique was acknowledged as one of the 14 countries in the world with the greatest improvements in HDI since 2000 (over 2% annual increase). Nevertheless, Mozambique remains among the four countries of the African continent with highest rate of incidence of poverty.

According to the National Statistics Institute (INE), in 2016, Mozambique recorded a monthly inflation of 3.47% in December and accumulated 25.26%, one of the highest in recent years, against 10.55% in 2015. However, the financial and foreign exchange situation is gradually recovering the stability as a result of some measures introduced by the Central Bank to control inflation, and in 2017 Metical remained stable in relation to the main currencies traded in the Mozambican exchange market.

5. **ADDITIONAL ACQUISITIONS**

- 5.1. In addition to the MMM acquisition, the Company has commenced early discussions in relation to potential transactions but does not expect to engage in substantive negotiations in relation to any of these additional acquisitions with any target company, business or in relation to any licence until after Admission. The Directors have strict criteria which will be used when reviewing potential transactions, which include, amongst other things, identifying opportunities with a known rare earths occurrence or mineral resource, and which the Board believes have the best chance of successfully being developed into a working REE mine, and where the Company can undertake the management of the business, after conducting thorough due diligence. There is no specific expected target value for any Acquisition. It is intended that future Acquisitions will be undertaken by way of share consideration (in whole or part), which will leave cash available for working capital purposes. However, if only part of the consideration is satisfied in shares, the Company will consider whether a further equity raising will be required, and the amount of such raising. This will depend on the nature of the Acquisition opportunity that arises, the form of consideration the Company uses to make the Acquisition (which cannot be determined at this time) and the need for working capital following the working capital period.
- 5.2. The objective of the Company in respect of MMM, and any additional Acquisition will be to operate the acquired business and implement an operating strategy with a view to generating value for its Shareholders through operational improvements as well as potentially through additional complementary acquisitions. The ownership of MMM and any future Acquisition will be long-term investments for the Company. As MMM is in the exploration phase, the Company will not generate returns in the short to medium term, unless a future Acquisition has production assets and so is income generating, in which event, the Company will have returns in the medium term, the level of which will be dependent on the quantum of production.
- 5.3. In assessing a future Acquisition, the Board will pay particular attention to the following overriding factors:
 - the existence of production and/or potential production which will, over time, provide cash flow for the business or an exit opportunity;

- strong exploration potential in known Rare Earth Elements producing areas; and
 - the quality of the target company's management.
- 5.4. Any evaluation relating to the merits of a particular Acquisition will be based, to the extent relevant, on the above factors as well as other considerations deemed relevant to the Company's business objective by the Directors. In evaluating a prospective target company or business, the Company expects to conduct a due diligence review which will encompass, among other things, meetings with incumbent management and employees, document reviews, inspection of facilities, as well as a detailed review of financial and other information which will be made available.
- 5.5. The Company expects that any future Acquisition will be to acquire a controlling interest in a target company or business. The Company may consider acquiring a controlling interest constituting less than the whole voting control or less than the entire equity interest in a target company or business if such opportunity is attractive; provided, the Company (or its successor) would acquire a sufficient portion of the target entity such that it could consolidate the operations of such entity for applicable financial reporting purposes. Future complementary acquisitions may be non-controlling.
- 5.6. On 28 April 2022 the Company announced it had raised £500,000 before expenses of £30,000, via a placing, of 6.25 million Ordinary Shares at 8 pence each. The funds are being used to provide necessary working capital to support the acceleration of the Company's REE development activities. As part of this raise, Optiva have received 275,000 broker warrants at 8p.
- 5.7. Following Admission, the Directors will be responsible for procuring investment and acquisition opportunities to be considered by the Company. The Company has established a Board it believes is well suited for the purposes of implementing its business strategy mixing a strong track record of growing diversified business groups in both the natural resources sector and financial sector (including, *inter alia*, the mining and Rare Earth Elements sectors, and corporate finance), considerable public company experience and a wide network of global contacts. The Company also has Directors based in Africa with experience of working in various African jurisdictions. Based on the Directors collective experience in growing such businesses in the natural resource sector, including precious and base metals, the Directors consider that there are opportunities to create value for Shareholders in the rare earths sector. The Company will utilise outside consultants and advisers as the situation demands, at the Board's discretion.
- 5.8. In conjunction with Admission, the Company has raised £2,000,000 (before Costs), being approximately £1,594,610 after Costs, conditional on Admission, through the Placing of the Placing Shares with Investors and the Subscription. The Net Proceeds will be deployed by the Company, *inter alia*, in carrying out the Monte Muambe Project and in accordance with its strategy to complete additional Acquisitions.
- 5.9. Application has been made for the Shares to be admitted to trading on the London Stock Exchange's Standard Listing for listed securities and the Fundraising is conditional on Admission. It is expected that Admission will become effective and that trading in the Shares will commence on 9 June 2023 or such later time as the Company and Optiva may agree. Further details of the Placing are set out in of Part III "*The Placing and Admission*" of this Document.

6. RARE EARTH ELEMENTS

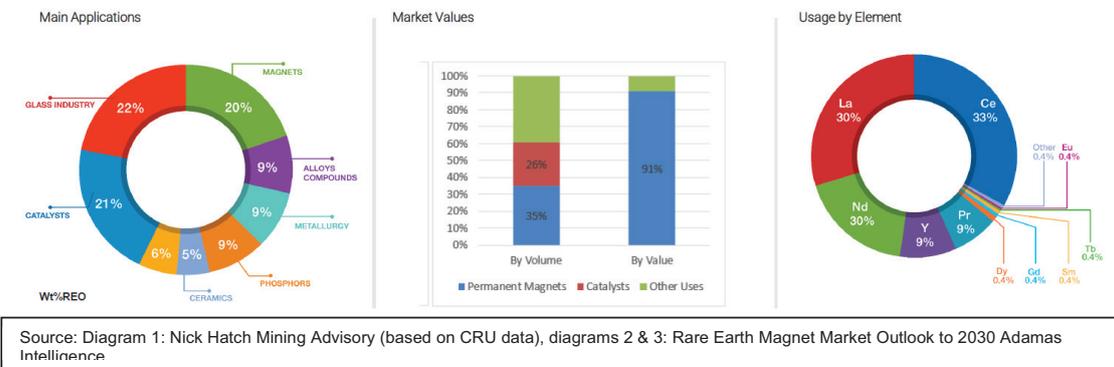
- 6.1. Rare Earth Elements have been mined for decades and are not, in fact, rare as most of the 17 elements which make up the classification are abundant in the earth's surface. What makes them "rare" is the ability to find sufficient quantities in a single, specific area which will allow a company to extract them economically. The Rare Earth Elements comprise a series of 17 elements known as the Lanthanides and include Yttrium and Scandium. They are further divided into Heavy and Light Rare Earths depending on their atomic weight.

Rare Earth Elements																	
H															He		
Li	Be											B	C	N	O	F	Ne
Na	Mg											Al	Si	P	S	Cl	Ar
K	Ca	Sc	Ti	V	Cr	Mn	Fe	Co	Ni	Cu	Zn	Ga	Ge	As	Se	Br	Kr
Rb	Sr	Y	Zr	Nb	Mo	Tc	Ru	Rh	Pd	Ag	Cd	In	Sn	Sb	Te	I	Xe
Cs	Ba	*	Hf	Ta	W	Re	Os	Ir	Pt	Au	Hg	Tl	Pb	Bi	Po	At	Rn
Fr	Ra	**	Rf	Db	Sg	Bh	Hs	Mt	Ds	Rg	Cn	Uut	Fl	Uup	Lv	Uus	Uuo
*	La	Ce	Pr	Nd	Pm	Sm	Eu	Gd	Tb	Dy	Ho	Er	Tm	Yb	Lu		
**	Ac	Th	Pa	U	Np	Pu	Am	Cm	Bk	Cf	Es	Fm	Md	No	Lr		

	Light Rare Earth Element		Heavy Rare Earth Element
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- 6.2. Importantly, for the many key industries around the world which rely on a steady supply of these metals, such as the electric vehicle and the wind turbine markets, only a few “Critical Metals” are needed, these being primarily, Neodymium and Praseodymium, Dysprosium and Terbium, as they form the critical materials used in permanent magnets. Yttrium, which sits apart from the main group of rare earths, but shares the same properties, is used as an additive in alloys to increase strength.
- 6.3. The Company’s strategy is to acquire Rare Earth Elements mining projects to extract, primarily, these five elements identified in paragraph 6.2 above. The Company believes the most effective way of doing this successfully within a short time frame is to acquire multiple assets, as it believes the risk associated with one single asset is high, as it may be subject to delays from funding, licence applications and extensions, local government issues, and the possibility that the ore body does not turn out to be as commercially viable as initially anticipated. Rather, the Company has determined to acquire at least three viable projects, with the intention that at least two projects will be driving forward at any one time. The Company will continue to look for new projects and it may hold as many as five projects at any one time.
- 6.4. While shareholder risk is reduced by owning a larger portfolio of assets (for the reasons stated above), the board is cognisant that this strategy in itself may raise other issues, those mainly being raising sufficient funds to conduct mining work at each project and being responsible for working multiple mining programmes simultaneously. The board believes that Admission would enable the Company to raise the funds required, whilst the recruitment of a highly experienced board of directors and the engagement with local partners will answer the second issue.
- 6.5. To further de-risk the portfolio, the Company is seeking to acquire Rare Earth Element mining projects found across different geological anomalies; namely, ionic adsorption clay type deposits (“**Ionic Clay**”) and Carbonatites, hard rock formations which are naturally rich in Rare Earth Elements; both typical in Africa. Rare Earth Elements are found in very specific geological environments and Africa is blessed with several carbonatite provinces along the East African Rift System and along its continental margins. In addition to this, Africa also has the right climatic conditions to raise the concentration of the carbonatites, and make them more easily mineable, through weathering. Analysis has shown that Carbonatite deposits should be able to provide a long-term supply of Rare Earth Elements, once a deposit has been developed. However, the capital expenditure and operating costs to achieve production is high, due to the size of these deposits and the process of extraction. Monte Muambe is a Carbonatite formation.

- 6.6. More recently, the presence of Ionic Clay Rare Earths deposits have also been established in Africa. These tend to be smaller ore bodies, with the metals more loosely held than in rock formations and occurring at lower concentrations, but access to them and processing of the aggregate is both quicker and less expensive, allowing the project to remain economically viable, especially if the presence of “Critical Metals” are abundant. Another positive for Ionic Clay extraction is low levels of radioactive elements (such as Thorium and Uranium), which are sometimes found in Carbonatites and have to be dealt with during processing.
- 6.7. Presently, China controls between 90-95% of the Rare Earth Elements supply chain and crucially, also controls the refining and processing sectors, creating a worldwide bottleneck. When looking at key future industries such as the electric vehicle market, world governments are aware that the only way to increase the number of electric cars on the road is to price vehicles suitably. With China controlling more than 70% of EV permanent magnet manufacturing, this could cause a major delay to the “Green Solution”, should it choose to hold supply back, thereby forcing up global prices. Currently, there are no viable alternatives to provide the huge quantities of Rare Earth Elements, including the “Critical Metals” and other “Technology Metals” needed for the manufacturing of items such as permanent magnets (used in the power plant of EVs and wind turbines), lasers, superalloys, ceramics, fuel cells, catalytic converters, glass making and a whole raft of other industries. The diagrams below outline the market values and uses for Rare Earth Elements.



6.8. Africa is considered one of the best alternative geographies for mining rare earths, as its jurisdictions are considered to be politically benign, globally speaking, and have a long history in dealing with international mining companies. So much so, that the US government has now been making inroads into the continent’s rare earths supply for the past two years and a number of UK and Australian rare earth mining companies have established a presence.

7. COMPETITIVE ADVANTAGES

7.1. The Directors believe that due to their current business and operations, Pensana Plc, Rainbow Rare Earths Limited, and Mkango Resources Limited, each in the Rare Earth Elements sector, are the current and expected market competitors to the Group as each may in the future undertake additional acquisitions, internationally, including in the geographic areas in which the Company anticipates seeking acquisitions. However, the Directors believe this will not prevent the Company from carrying out its strategic objectives set out above and that sufficient acquisition targets exist for the Company.

7.2. The Company believes that its main competitive advantages are as follows:

7.2.1. Experienced board and senior management – The Company has an advantage of starting its rare earths mining strategy from scratch, meaning it has been able to agree upon, and execute, the best approach to reducing risk for shareholders. A key part of this is the composition of its board of directors. The Company’s board and senior management comprises a blend of professionals who each bring their own unique talents, including: mining experts – both on the geology side and from, historically, running mining companies in Africa; people with substantial UK PLC experience and who have worked with shareholders, investors and investment banks which will allow easier access to capital; African residents who understand the cultural environment,

knowledge of the local systems and how governments work and who have created a network of industry and political allies; and communications experts who know how to deliver clear and concise news to shareholders and the broader market;

- 7.2.2. Location The use of the port of Beira (as opposed to Nacala) is expected to be less of an issue for Altona's projects than it is for the coal mines as bulk handling at the port is not required, since the concentrate will be transported in containers. The project therefore has a competitive advantage compared to most of the other Eastern Africa rare earth elements projects in terms of distance to the closest port and logistics options. The Monte Muambe Project is located in Moatize district, in an area where active coal mines, major iron ore and steel project, and lots of smaller mines (gold in particular) are located. The district, and the nearby provincial capital Tete, have good road infrastructure, an international airport, abundant qualified workforce, equipment and service suppliers for the mining industry, as well as electricity generation capacity (Cahora Bassa hydropower plant).

The table below shows the Company's main competitors:

Company	Market Cap as at 1 March 2023	Project	Type of REE deposit	Size	Development Stage
 PENSANA Plc	£157m	Longojo, Angola	Carbonatite residuals	30.1mt @2.55% TREO (PP)	DFS completed
	£30.86m	Songwe, Malawi	Carbonatite	18.1mt @1.16% TREO (PP)	DFS completed
	£57.34m	Phalaborwa, South Africa	Tailings	30.7mt @0.43% TREO (IR)	PEA completed
	£65.86m	Makuutu, Uganda	Ionic Clay	532mt @0.064% TREO (IIR)	Scoping Study completed
	£1.98m	Monte Muambe, Mozambique	Carbonatite	21.7mt @ 1.78% TREO to 56.6mt @1.65% TREO	Maiden MRE and Scoping Study being prepared

Comparison between Altona Rare Earths and some of its Africa-based competitors. (PP) Proven + Probable Reserves; (IR) Inferred Resources; (IIR) Indicated and Inferred Resources; (ET) Exploration Target. Source: respective company websites.

**Monte Muambe minimum target based on extracted data from Globe Metals data 2012*

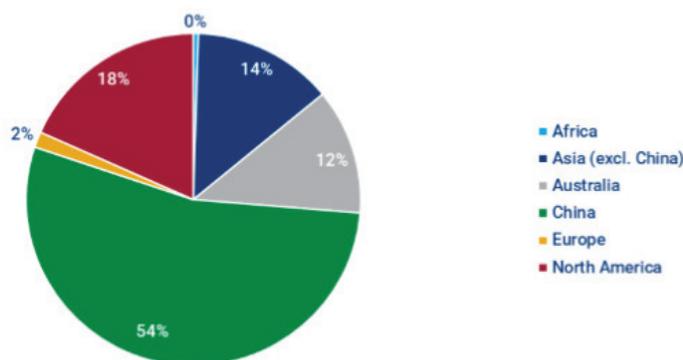
The Company maintains consultants and has two Africa-based Directors (one Executive and one Non-Executive). This includes Cédric Simonet, its Chief Operating Officer, who is a highly qualified geologist based in Kenya for over 25 years, and whose role is to scout for REE projects which the Board then apprises and decides whether to approach the current owner to begin discussions to acquire the asset. Cédric Simonet has the responsibility for i) identifying new potential acquisitions including prospective or “greenfield” rare earths mining tenements and ii) visiting each project which is identified to provide initial assessment, and iii) working with the appointed Project Manager on each REE project, to ensure correct exploration procedures are followed according to the Company’s agreed work plan and budget.

8. RARE EARTHS MARKET

8.1. Rare Earths

While historically REE have been and are still extracted from a wide range of geological environments (carbonatites, hydrothermal deposits and rare elements pegmatites), Ionic Clay hosted deposits have taken, over the past years, an increasing importance in REE production. These deposits were first recognised in South China in the 1970s and have become a major source of REE, in particular Heavy REE, with a current production of about 132,000 tons Total Rare Earth Oxide (“TREO”) per year from China and 22,000 tons from Myanmar. The rest of China’s production comes from other types of deposits, mostly from the giant Bayan Obo hydrothermal polymetallic REE deposit in Mongolia.

Estimated breakdown of global rare earths supply: mine supply by region, 2021 (%)



Source: Roskill, a Wood Mackenzie business. Note: full-year estimate

Source: Roskill/Wood Mackenzie

Currently, Ionic Clay REE deposits are exploited mostly in Southern China, Myanmar and Vietnam. Other occurrences of such deposits have been discovered in Southeast Asia and in Brazil, as well as in Africa. There are no Ionic Clay REE deposits currently mined in Africa, but the potential of this continent for this type of REE deposits has been well proven by the discovery and exploration of two major deposits:

- The Makuutu deposit in Uganda, which is presently being explored by Ionic Rare Earths Ltd (ASX: IXR) and has an existing resource statement of 78.6 Mt at 840 ppm TREO (Indicated and Inferred, using a cut-off of 300 ppm TREO-Ce). It is expected production will commence in 2022.
- The Tantalus deposit in Northern Madagascar, which has a resource of 197.7 Mt at 897 ppm TREO (Measured and Indicated, using a cut-off of 300 and 500 ppm TREO-Ce respectively).

8.2. Rare Earths Supply – main Ionic Clay deposits parameters

REE vs REO – Grades may be reported on an element basis (e.g. Praseodymium – Pr) or on an oxide basis (e.g. Pr₂O₃). The conversion between the two is done using a constant factor which is different for each element (1.1703 in the case of Pr vs Pr₂O₃). It is important to check which reporting standard is used when comparing data from different projects or sources. Grades for Ionic Clay deposits are usually reported in ppm.

Grade – Grades in the range 500+ ppm TREO are usually considered economic (usually a cut-off grade of 300 ppm TREO-Ce is used for resource estimations), subject to recovery. Grade is measured by preparing and analysing samples in such a way that all REE present in the sample are reported individually, whether they are contained in residual minerals (not leachable) or adsorbed onto clay minerals (leachable in certain conditions).

Leachability – Not all REE contained in a sample are leachable. Leachability indicates what proportion of the REE contained in an Ionic Clay sample can be dissolved using standard reagents for this type of REE deposit. Leachability varies from one element to the other. Leachability is also not constant across an Ionic Clay deposit, both horizontally and vertically. In some cases, leachability must be assessed on a sample-by-sample basis and resource models must include not only TREE grade but also leachability. Last, leachability represents only part of the extraction process and is not necessarily equal to recovery, which includes precipitation and concentrate refining.

Geometry and thickness – Ionic clay deposits are actually part of the soil profile and therefore tend to follow the topography of the site. This can be greatly influenced by the slope. The thickness of the orebody (leachable REE enriched part of the soil profile) is important because a thicker orebody means larger resources per unit of surface area.

Conditions favourable to the development of Ionic Clay REE Deposits – Ionic Clay REE deposits form through deep weathering of rocks containing lower quantities of REE, and concentration in parts of the soil profile. The concentration factor from the parent rock to the Ionic Clay deposit typically ranges from 3 to 10. Ionic Clay REE deposits are more likely to form where:

- There is a parent rock enriched in REE (whether HREE or LREE) – REE-enriched granites, syenites, or rocks derived from these.
- The climatic conditions are favourable to weathering (in Southern China – subtropical humid climate, but worldwide these conditions can be encountered in other climates)
- The topography is favourable to the formation of large, continuous orebodies (gentle slopes, low density drainage system).

8.3. Rare Earths Supply – main carbonatite parameters

REE vs REO – Grades may be reported on an element basis (e.g. Praseodymium – Pr) or on an oxide basis (e.g. Pr₂O₃). The conversion between the two is done using a constant factor which is different for each element (1.1703 in the case of Pr vs Pr₂O₃). It is important to check which reporting standard is used when comparing data from different projects or sources. Grades for carbonatite deposits are usually reported in %.

Grade – For Mineral Resource Estimates, grades in the range 2.5% TREO or over are usually considered potentially economic (usually a cut-off grade of 0.5 or 1% TREO is used for resource estimations), subject to recovery. Carbonatite deposits may contain other valuable minerals in addition to REE such as Niobium, Phosphates, Baryte and the grade of these potentially recoverable elements or minerals may also have to be taken into consideration.

Metallurgy – REE can be contained in a wide range of minerals hosted in a different types of host rocks having different degrees of weathering. This means that the production of a saleable REE concentrate is subject to different parameters which need to be assessed and understood at an early stage in the project. This is done through metallurgical studies, which aim is to assess what are the possible processes and ensuing costs to produce a concentrate (or several concentrates if there are several minerals of interest).

Geometry and thickness – Carbonatite deposits form igneous bodies which may have different shapes and sizes but which are usually rooted to great depths into the Earth's crust (over 200 m). In many cases, the upper part of carbonatite bodies is weathered, which usually causes an increase in their grade compared to that of unweathered bodies. This weathered layer usually has a thickness of 30 to 100 m, and constitutes the higher grade part of carbonatite resources.

Conditions favourable to the development of Carbonatite Deposits – Economically viable carbonatite deposits are more likely to form where:

- The regional geological environment is favourable to alkaline and carbonatitic melts formation (rift systems, or former rift systems such as continental margin);
- Large carbonatite bodies, or part of these bodies, have high concentrations in REE, and possibly associated elements;
- Local current or past climatic conditions have caused intense weathering of the upper part of the carbonatite bodies; and
- REEs are contained in minerals which are easy to extract and concentrate, and which are regarded as easier to process (for example bastnaesite as opposed to monazite).

8.4. Rare Earths Demand

The annual demand for REE has doubled to 125,000 tonnes in 15 years (to April 2021), and the demand is projected to reach 315,000 tonnes by 2030, driven by increasing uptake in green technologies and advancing electronics. This is creating enormous pressure on global production. China is predicted to exhaust its supply of Heavy REEs by 2028, providing an opportunity for other mining companies to fill the massive void this will leave.

Indispensable for production of smart phones, wind turbines and electric vehicles (EV), REEs have significantly increased in importance as demand for electronics and EVs continue to surge. In addition, REEs play an essential role in national security and commercial applications. For smart phones to vibrate or EV motors to provide power, they need powerful magnets, and REEs are critical to the manufacture of these powerful permanent magnets. Factors expected to increase demand include:

- REEs are crucial for production of clean energy, electric vehicles, consumer electronics, military systems
- End-user manufacturers (in US, Europe) are increasingly demanding an alternative source outside China, and Africa has become the most promising location for competitively sized Carbonatite and Ionic Clay REE deposits.

The global rare earth element permanent magnet market reached \$14.4 billion in 2020 and is expected to see a significant increase in demand. Several rare earth elements, such as neodymium, praseodymium and dysprosium, are critical to the motors used in EVs and offshore wind turbines. Beyond EVs, the demand for REEs is high across multiple sectors. REEs are instrumental components in a myriad of high-tech devices such as smartphones, cameras, computer hard disks, fluorescent and LED lights, batteries, flat screen TVs, computer monitors and more. Large quantities of some REEs are also crucial for defence technologies, such as missile guidance systems and laser weaponry; an F35 jet fighter, for example, contains approx. 400 kg of REEs.

Demand for REEs is currently outstripping supply by about 3,000 tons per year. Demand is likely to accelerate further and constrain access since the EV market alone is projected to increase nearly tenfold over the next ten years. Exacerbating the situation, the prices of all major Chinese-sourced rare earths have recently spiked, especially those used in permanent magnets.

The record high prices in 2021 and subsequent demand growth are underpinned by the 'Green Agenda' and results of the COP-26 Conference which is being targeted by many Governments and international bodies looking to reduce carbon-emissions. REE products are widely used in the generation of renewable energy and in zero-low emissions transport, as mentioned above, via the use of rare earth permanent magnets in wind turbines and in the drive train of hybrid and electric vehicles.

Prices for neodymium and praseodymium oxide (NdPr), which are the most common rare earths used in making magnets, are already up by more than 40% in 2021 to a record high at the start of 2022. Permanent magnet applications formed close to 30% of total rare earth demand in 2020.

The table below outlines the year end prices for rare earth metals in China, highlighting the high prices seen since 2018.

Product	31-Dec-2021	YTD %	YOY %	Since 1/2017
Monazite TREO=60%	\$9.90	163.68%	163.68%	253.71%
Rare earth carbonate 42.0-45.0%	\$10.45	199.74%	199.74%	219.43%
Rare earth concentrate ≥70%	\$9.98	165.77%	165.77%	331.64%
Lanthanum oxide	\$1.37	-7.98%	-7.98%	-29.95%
Cerium oxide	\$1.49	-2.59%	-2.59%	-17.86%
Neodymium oxide	\$144.92	85.48%	85.48%	284.95%
Praseodymium oxide	\$137.46	147.51%	147.51%	190.98%
Terbium oxide	\$1,759.43	58.41%	58.41%	321.04%
Dysprosium oxide	\$454.00	52.76%	52.76%	160.29%
Europium oxide	\$31.42	-2.34%	-2.34%	-45.28%
Yttrium oxide	\$12.02	282.66%	282.66%	284.56%
Gadolinium oxide	\$71.87	163.56%	163.56%	611.46%
Erbium oxide	\$53.80	110.30%	110.30%	116.47%
Samarium oxide	\$4.56	158.58%	158.58%	150.74%
Neodymium-Praseodymium Oxide	\$132.74	112.63%	112.63%	252.61%
Lanthanum metal	\$4.48	2.54%	2.54%	4.42%
Praseodymium metal	\$183.01	111.44%	111.44%	173.72%
Neodymium metal	\$177.51	86.14%	86.14%	261.87%
Neodymium-Praseodymium Alloy	\$162.98	108.60%	108.60%	232.24%
Mischmetal (La-Ce)	\$4.63	8.04%	8.04%	9.94%
DyFe alloy	\$454.00	54.35%	54.35%	150.08%
Holmium oxide	\$205.79	122.03%	122.03%	353.58%
Lutetium oxide	\$832.59	13.82%	13.82%	31.68%
Scandium oxide	\$1,060.37	-20.90%	-20.90%	-14.67%
Thulium oxide	\$126.46	15.45%	15.45%	20.84%
Ytterbium oxide	\$20.03	36.19%	36.19%	0.22%
Exchange rate US\$ 1 = RMB	¥6.37	2.48%	2.48%	7.48%
E & OE	https://giti.sg			

9. MOZAMBIQUE LEGAL, REGULATORY AND ENVIRONMENTAL ISSUES

9.1. Rights to Mineral Resources

In Mozambique, mineral resources located in and beneath the soil are the property of the State. Under certain conditions, the State may grant rights with respect to mineral resources to private persons as long as such rights are exercised in accordance with the industry's best practices, environmental legislation, and for the benefit of the national economy. Such rights include, among others, exploration, mining, treatment, processing, and trade or other forms of disposal of mineral products. These rights of use and enjoyment of mineral resources are granted by the State by means of the following relevant licences:

- (i) Exploration Licence (Licença de Prospecção e Pesquisa);
- (ii) Mining Licence (Concessão Mineira);
- (iii) Mineral Treatment Licence (Licença de Tratamento Mineiro);
- (iv) Mineral Processing Licence (Licença de Processamento Mineiro); and
- (v) Mineral Products Trade Licence (Licença de Comercialização de Produtos Minerais).

MMM holds an Exploration Licence.

9.2. Mining Legislation

The primary sources of law for mining in Mozambique are the following:

- Constitution of the Republic of Mozambique of 2004 (the “**Constitution**”);
- Law no. 20/2014, of 18 August (the “**Mining Law**”);
- Law no. 15/2017 of 28 December, (the “Specific Taxation Regime for Mining Activity” or “Mining Tax Law”);
- Law no. 15/2011, of 10 August (the “**Megaprojects Law**”);

- Ministerial Diploma no. 8/2017 of 16 January (the “**Guidelines for Implementation of the Corporate Social Responsibility Policy for the Mineral Resources Extractive Industry**”);
- Decree no. 16/2012, of 4 July (the “**Megaprojects Regulations**”);
- Decree no. 20/2011, of 1 June (the “**Regulation on Trade of Mineral Products**”)
- Decree no. 25/2015, of 20 November (the “**Regulation on Trade of Diamonds, Metals and Precious Gems**”);
- Decree no. 5/2008, of 9 April (the “**Regulation of Mining Tax Law**”);
- Decree no. 61/2006, of 26 December (the “**Regulation on Mine Work Safety**”);
- Decree no. 31/2015 of 31 December (the “**Mining Regulations**”);
- Resolution no. 89/2013, of 31 December (the “**Mining Policy**”) and
- Ministerial Diploma no. 65/2022 of 15 June (Review of licensing and authorisation fees)

9.3. Mining Law 2014

The 2014 Mining Law referred to above became effective on 18 August 2014 and, together with its associated Regulation, which is effective from 31 December 2015, forms the basis of the legislation that govern the mining sector. The key highlights are as follow:

- Prior approval from the Government is necessary for direct and indirect transfer of shares and interests in mining undertakings even if such a transaction does not entail the change of control in such mining undertakings.
- Holders of exploration licences must report “the discovery of any mineral” to MIREME before any public announcement.
- Holders of exploration licences for minerals other than construction materials have preference rights to apply for a distinct exploration licence for construction materials in their areas. Prospecting for construction materials is separately licenced.
- Coal bed methane (CBM), oil, natural gas and associated natural gas is regulated under Petroleum Law.
- Holders of exploration licence have preference rights to apply for a distinct CBM exploration licence in their areas. CBM exploration is separately licenced.
- The grant of mining rights under a mining title does not necessarily means the grant of rights of use and enjoyment of land or other pre-existing rights, which remains in the ownership of the State.
- The State may buy the minerals at the market price for the use by the local industry, based on commercial interest.
- Job vacancies for mining sector must be published in the newspaper with the widest readership.
- The foreign exchange regime such as the right to transfer funds abroad is no longer regulated as agreed by the Government and the private investor but rather that it is regulated in accordance with the terms of foreign exchange legislation.
- Holders of mining licencess shall start production within 48 months from the date of issuance of the licence failing to which, is a statutory ground to revoke the mining licence.
- Rights vested under mining contracts and agreements entered into and mining licences that were granted under the former Mining Law remain in force.
- The 2014 Mining Law introduces new mining titles, namely, the Mineral Treatment Licence, the Mineral Processing Licence, and the Mineral Products Trade Licence and eliminates the Reconnaissance Licence.

- A fraction of the revenue generated by the State from mining extraction must be channelled into the development of the local communities of the areas where the relevant mining operations are carried out.
- Introduction of imprisonment penalties for breach of the Mining Law.
- It creates the High Authority of the Extractive Industry and the National Mining Institute.

9.4. Types of Mining Titles

9.4.1. *Exploration Licence*

An exploration licence allows the holder to conduct prospecting and research operations in a designated area, which must not exceed 198 hectares for construction materials and 19.998 hectares for the exploration of other mineral resources. The licence is valid for a period of 2 (two) years for construction materials renewable once for an equal period and valid for 5 (five) years for other mineral resources including mineral water, renewable once for a period of 3 (three) years.

9.4.2. *Holding an Exploration Licence*

An exploration licence may be held by any legal person incorporated and registered according to Mozambican law, with the relevant capacity to carry out the exploration activities allowed for under this licence, subject to payment of the applicable fee. Neither natural persons nor legal persons established in other jurisdictions may apply for or hold exploration licences.

9.4.3. *Rights and Obligations of holders of an Exploration Licence*

Holders of an exploration licence are permitted to:

- access the area subject to exploration;
- collect, remove, transport and export samples and specimens not exceeding acceptable limits and volumes for laboratory analysis, according to patterns and criteria set out in specific legislation (the legislation is yet to be approved);
- conduct sampling and trial processing of the mineral resources not exceeding acceptable limits (which are not clearly established in the legislation) in order to determine the mining potential;
- occupy land, open access roads and erect any temporary installations, campsites, structures or buildings necessary to carry out exploration activities;
- use water, timber and other necessary materials in the licenced area for exploration activities, subject to the applicable laws (i.e. those governing the domains indicated and environmental laws) and the observance of good mining and socio-environmental practices;
- apply, with a preference right, for the licence that authorises the exploration and prospecting of construction materials identified in the area; and
- apply with a preference right, for a licence to explore and exploit the coalbed methane gas occurring in the exploration licence area.

Under the terms of an exploration licence, the holder is required to:

- undertake exploration activities in accordance with applicable legislation and the best mining, social and environmental practices;
- respect local communities and contribute to their socio-cultural preservation;
- comply with the approved work programme;
- present an annual report of the activities and investments undertaken in the previous year, by 28 February;
- present an annual work programme, including the investment report detailing operations and investment planned for the following year, by 30 March;
- pay the specific taxes for the mining activity;

- compensate land users for damages caused to their land or property as a result of exploration and prospecting activities in the licenced area;
- observe health and safety rules for geological and mining activities in accordance with the applicable law;
- restore the environment in the area subject to the exploration licence in accordance with environmental legislation;
- repair damages caused by the exploration and prospecting activities in accordance with environmental legislation;
- communicate the discovery of minerals to the Government in accordance with the applicable regulations and prior to any public announcement; and
- execute the plan to relocate and compensate affected populations, where applicable.

9.4.4. *Extension of an Exploration Licence*

An exploration licence may be extended for a further period of up to 2 (two) years for construction materials and up to 3 (three) years for other mineral resources. To extend a licence, the holder must submit an application to the Minister at least 60 (sixty) days before the expiry of the current licence and pay the relevant fee.

The request for extension shall contain the following:

- indication of the intended extension period;
- the portions of the area that is intended to remain outlined in the updated topographic map;
- exploration activities report conducted in the initial period including the respective investments;
- exploration activities programme for the extension period and the respective budget;
- proof of payment of the taxes specific to mining activities;
- updated environmental management instrument, if applicable.

9.4.5. *Transfer of an Exploration Licence*

Exploration licences are transferrable subject to the prior approval of the Government. The same requirement applies for transfer of shares or quotas of the company holding the exploration licence.

To transfer an exploration licence an application must be submitted to the Minister via INAMI or the Provincial Directorate specifying the conditions of the transfer and including the legal instrument or document by which the transfer will be made. In addition, applicants must demonstrate that:

- the transferee has accepted the terms and conditions of the exploration licence in writing;
- the parties have legal capacity;
- the transferee has technical and financial resources as well as experience in managing and undertaking exploration activities; and
- Required fees have been paid (see paragraph 9.6 below).

If the conditions are met, the Minister will authorise the transfer of the licence within 180 (one hundred and eighty) days from the date of request.

9.5. **Performance Bond**

The Mining Regulations require that mining titleholders provide a bank guarantee established in Mozambique or a money deposit, unconditional and irrevocable, in favour of the MIREME, in a bank account open exclusively for that purpose equivalent to 2% of the budget foreseen in the work programme, for the exploration.

This guarantee is aimed at ensuring that the terms and conditions of the mining titles are upheld. The guarantee may be cancelled by the titleholder after the presentation of the geological report of the second year, verification of the compliance of the work programme presented and after the start of the mining production. Conversely, the guarantee may be called on by the State for any breach that would otherwise entitle it to repeal the mining title.

9.6. Licensing and Regulatory Fees

The costs associated with exploration licences can be categorised into three groups: fees, fees for amendments, and surface tax.

(i) The fees related to an application for an exploration licence are set out below.

Table 1: Fees for Exploration Licences

PROCESS	VALUE (MZN)	VALUE (US\$)
Fee for registration of application (“processing fee”)	50,000	794.00
Fee for issuance of the title	50,000	794.00
Fee for late submission of the application for extension	150,000	2,381.00
Fee for extension	10,000	1,587.00

(ii) The fees related to amendments of exploration licences titles are set out below.

Table 2: Fees for Amendments to Exploration Licences

PROCESS	VALUE (MZN)	VALUE (US\$)
Fees for application of transfer of title	1,920,000	30,476
Fees for registration of transfer of titles	1,500,000	23,810
Fees for application for extension of area	1,920,000	30,476
Fees for registration of extension of area	150,000	2,381

(iii) The annual surface tax due for exploration licences is set out below and is valid for all types of mineral resources.

Table 3: Surface Tax for Exploration Licences

RATE (MZN)	RATE (US\$)
1 st and 2 nd year: 17.50 MZN/ha	80.24/ha
3 rd year: 43.75 MZN/ha	0.61/ha
4 th and 5 th year: 91.00MZN/ha	1.28/ha
6 th year: 105.00 MZN/ha	1.48/ha
7 th year and 8 th year: 210.00 MZN/ha	2.96/ha

9.7. Environmental Law

9.7.1. Legislation

The Environmental Law (Law No. 20/1997 of 1 October) prohibits the act of polluting as well as activities that contribute to accelerated erosion, desertification, deforestation or any other form of environmental degradation, unless otherwise permitted by law. The Environmental Law further prohibits the importation of hazardous waste, unless otherwise permitted by specific legislation.

The Environmental Law also provides that the Government may establish environmental quality standards, defined as the admissible levels of pollution prescribed by law. The Environmental Quality and Effluent Emission Norms regulate atmospheric, water and soil quality for industrial purposes, effectively establishing standards for air pollution and effluent emissions.

9.7.2. *Environmental Regulations for Mining Activities*

The Mining Law and the Environmental Regulation for Mining Activities classify mining activities into three levels (Level A, Level B and Level C, specified below). Each activity is classified according to the scope of the operation and the relative complexity of equipment used. Each activity is attributed certain environmental obligations as a function of its classification.

9.7.3. *Level A activities and EIA*

Level A activities include all mining activities carried out under a mining licence. Such activities require a full environmental impact assessment (“**EIA**”).

An EIA is a technical and scientific study of the environmental consequences of the implementation of a mining project. EIAs must be undertaken by an environmental specialist licenced by Ministry of Land and Environment (“**MITA**”) and carried out during the feasibility stage of the project. The EIA process aims at producing a project-specific environmental licence, which enables the concessionaire to carry out a mining project.

The project proponent first submits to MITA the terms of reference of the EIA, which must include and state the timing and procedures for the related public consultation process, a risk and emergency management plan; and an environmental management plan, analysed below. The EIA is scrutinised by MITA and the Ministry of Mineral Resources and Energy (“**MIREME**”). If the EIA is approved, MITA issues an environmental licence within 10 (ten) days from the date of approval. The licence is valid for the same period as the mining title but must be reviewed every 5 (five) years.

In addition to the requirement to review the environmental licence every 5 (five) years, the holder of the licence must submit an environmental management report annually at the end of each calendar year. The annual environmental management report must cover the findings arising from the environmental, biophysical, socio-economic and cultural monitoring of the mining project. This monitoring process may be carried out either by the concessionaire or by a private auditor.

9.7.4. *The Environmental Management Plan*

The environmental management plan is a study of the environmental, biophysical, social, economic and cultural aspects of the project. The environmental management plan includes a section on environmental monitoring and a mine closure plan. The environmental management plan must cover a period of at least 5 (five) years, at the end of which a new plan must be submitted for approval.

The environmental management plan must be presented together with an application for the issuance of the relevant Mining Licence. Where a Mining Licence has been issued without an environmental management plan (for example, in cases where the initial exploration programme did not involve the use of mechanised equipment), such a plan must be submitted and approved, together with an updated exploration work plan, when the exploration programme advances to a stage that requires mechanised equipment.

The submission of the environmental management plan must be preceded by verification of the initial natural conditions of the area in which the mining activity is to take place, which must be signed by the proponent in the form of assumption of environmental liability.

The environmental management plan must include the following:

- location and basic description of the project;
- methods and procedures to be used during the project;
- expected impact on the environment and mitigating actions;
- monitoring programme;
- rehabilitation programme for the affected area.

The environmental management plan is firstly considered by MIREME, which recommends the approval, amendment or rejection of the plan within 30 (thirty) days. If the plan is recommended for approval, it will then be passed on to the provincial level of MITA (specifically, to the Direcção Provincial do Ambiental) for final evaluation and decision. Activities that involve mechanised equipment cannot start until the approval of the environmental management plan by MITA.

Technically, according to the terms of the Environmental Regulation for Mining Activities, if MITA does not approve the environmental management plan within 90 (ninety) days from the date of issuance of the mining title, the mining title automatically becomes null. In practice, however, MIREME coordinates with MITADER during the evaluation process of the environmental management plan, and hence the initial approval by MIREME usually results in approval by MITA.

Once approved, the environmental management plan is valid either for the life of the Mining Licence or for a period of 10 (ten) years, whichever is shorter.

9.7.5. *Level B Activities*

Level B activities include quarrying activities, pilot projects of exploration activities, and activities carried out under a mining certificate. Such activities require a simplified environmental impact assessment (simplified EIA). The content of the simplified environmental impact assessment is yet to be regulated.

9.7.6. *Level C activities*

Level C activities consist of mining activities carried out under a mining pass or an exploration licence, which do not involve mechanised methods. Level C activities require an environmental management plan.

9.8. **Restoration Bond**

Persons undertaking Level A and B activities are required to provide an environmental bond to cover the costs of restoration of the environment during the closure of the mine. The bond may take the form of an insurance policy, a bank guarantee or a deposit in cash in a bank account provided by MIREME.

The value of the bond is based on an estimate of the costs of such restoration, which will be calculated during or after the active life of the project. The value of the bond is set by MIREME and reviewed every 2 (two) years. In the case of Level A activities, the value of the bond is calculated on the basis of the terms of the relevant EIA, whereas in the case of Level B activities it is calculated on the basis of the terms of the relevant environmental management programme.

Persons engaged in activities involving a high risk of environmental degradation must obtain insurance to cover such liability. Environmental damage caused by mining operations are the responsibility of the titleholder or the operator. In respect of legal persons, the legal representative of such person or the person otherwise in charge is jointly and severally liable with his principal unless he proves that he was unaware of or did not consent to the act or omission that caused the damage.

9.9. **Cost of an Environmental Licence**

The fee for obtaining an environmental licence for activities in category A+ is 0.30 of the value invested in the activity. For the activities in Levels A and B it is 0.20% of the value invested in the activity. The fee for activities in Level C is 0.2% of the value invested in the activity. The value invested is normally determined by the sponsor of the activity.

The fees for renewing environmental licences after 5 (five) years are the following:

- MZN 80.000 for the activities in category A+;
- MZN 60.000 for the activities in category A;
- MZN 30.000 for the activities in category B; and
- MZN 5.000 for the activities in category C.

The applicant for an environmental licence is also responsible for the travel costs and out of office expenses of technical staff of MITADER (calculated according to the standard civil service rates) as well as costs related to correspondence, consultancy fees for the environmental consultants, costs arising from public consultations and other fees related to the production of the documents required for the licensing process.

9.10. Archaeological Heritage Protection

The titleholder of a mining right must take the necessary measures so as to preserve geosites, geological patrimony and archaeological findings in the area under title. Archaeological heritage is defined by the Archaeological Heritage Protection Regulation as “fixed and moveable assets of archaeological, paleontological, anthropological or geological value, related to past generations, discovered by accident, through prospecting or archaeological excavation, as well as that which has not yet been discovered”. That Regulation imposes a number of relevant obligations described below.

Any project involving excavation, large-scale earth moving or the removal of semi-buried or buried items (from under land or sea) must provide for preliminary archaeological prospecting and salvage archaeology (i.e. the study of discovered archaeological elements under threat of destruction) in the event of a discovery. For this purpose, the project budget must reflect a line item in an amount not less than 0.5% of the total cost of the works.

10. MOZAMBIQUE TAX REGIME FOR MINING ACTIVITIES

10.1. Taxation

Certain specific taxes apply to mining activities. These are:

- Mining Production Tax (Imposto sobre a Produção Mineira, sometimes referred to as royalties);
- Surface tax (Imposto sobre a Superfície); and
- Mineral Resource Rent Tax (Imposto sobre a Renda de Recurso Mineiro).

10.2. Mining Production Tax

Mining Production Tax is levied on the extracted mineral product, the concentrates and the mineral water, arising from mining activity within Mozambican territory, with or without the mining title and shall be paid monthly. In general, the value of the product is determined according to the price of the last sale undertaken by the taxable person, which should correspond to the reference price of the international market. The Tax Authority may alter the taxable amount reported by the taxpayer if the relevant sale price is below the normal market price or if the sale of the product was not made on a commercial basis.

The applicable rates of production tax are set forth below.

Table 4: Production tax (percentage of the value of the mineral product)

Mineral resource	Percentage
Diamonds	8
Precious metals (gold, silver and platinum), precious stones and Semi-precious stones	6
Base minerals, coal and other mineral products not included in other categories	3
Sand and stones	1,5

10.3. Surface Tax

Surface tax is an annual tax levied on the area of mining activity and in case of mineral water, on each mining title. The tax obligation arises from the moment of awarding of the area subject to exploration licences, mining licences and mining certificates.

Surface tax is calculated on the basis of the number of hectares or square kilometres of the area under licence. Rates vary according to the type of the mining title, the nature of the mineral resources present in the relevant area and the period the licence has been held.

Payment of surface tax exempts holders of mining titles from paying the DUAT fee, insofar as the DUAT coincides with the area under title.

Type of mining title	Mineral resource	Rate (per km ² or hectare)
Exploration licence	All mineral resources	1 st and 2 nd year: 17.50 MZN / ha 3 rd year: 43.75 MZN / ha 4 th and 5 th year: 91.00 MZN / ha 6 th year: 105.00 MZN / ha 7 th and 8 th year and: 210.00 MZN / ha
Mining Concession	All other mineral products	1 st up to 5 th year: 30.00 MZN /ha 6 th year onwards: 60.00 MZN / ha
	Mineral water	85.000 MZN/mining title
Mining Certificate	All mineral resources	1st up to 5th year: 30.00 MZN /ha 6th year onwards: 60.00 MZN / ha

10.4. Mineral Resource Rent Tax

The Mineral Resource Rent Tax (“MRRT”) is a tax on the net cash flow under a mining title, from the moment when such flow originates an internal return rate equal or above 18%, before IRPC. The MRRT applies to mining projects that have accrued net revenues (cash gains) during a fiscal year. MRRT is due when there are net cash gains at the end of the fiscal year at the tax rate of 20%.

10.5. Tax Benefits for Mining Activities

The Mining Tax Law, establishes fiscal incentives for mining activities. During the first 5 (five) years since the commencement of the mining activities, the new mining projects are exempt from:

- customs duties payable on importation of equipment that is classified as class K of the Customs Schedule (Pauta Aduaneira), whether for exploration or for mining; and
- customs duties payable on importation of certain equipment (other than that classified as class K goods), which is listed in Annex A of the Mining Tax Law.

In order to be eligible for the benefits listed above, the taxpayer must:

- have been authorised to undertake mining activities;
- hold a Taxpayer Identification Number (Número Único de Identificação Tributária or NUIT);
- maintain accounting in accordance with the General Plan of Accounts (Plano Geral de Contabilidade), the CIRPS or the CIRPC, as applicable; and
- not have committed tax offenses or offenses of any other nature recognised by the Tax Authority.

Mining investors with tax benefits granted before the entry into force of the Tax Benefits for Mining continue to enjoy their acquired benefits in accordance with the law.

11. GENERAL REGULATORY AND ENVIRONMENTAL ISSUES FOR REE PROJECTS

11.1. The regulatory framework applicable to prospecting and mining in Africa varies considerably from one country to another. Most countries have a relatively recent (5 to 20 years old) set of laws and regulations covering mining, and not all have achieved maturity in their regulatory framework. Usually, Prospecting Licences are exclusive and are given on a first-come-first-served basis for a determined duration (with options to renew). Licences include work and expenditure commitments, and give a preferential right to apply for a Mining Licence once mineable deposits have been identified and proven, usually through a feasibility study. Mining Licences are granted over a period of time covering the mine life or a fixed period (usually

between 15 and 25 years), and are often renewable (“Mining Licence”. The fiscal regime of mining activities usually includes royalties (for example, as a percentage of sales) and corporate tax. Mineral rights are usually separate from land rights and may have to be acquired separately. African countries all have recent environmental legislation and different types of environmental licences are required for different activities.

11.2. REE production from Ionic Clay deposits typically require leaching of the orebody using very mild solutions such as 1 mol/l sodium chloride (table salt) or 1 mol/l ammonium sulphate solutions. Leaching can be done dynamically (agitated tanks), statically (heap-leaching), or in-situ (injection of leaching solution into the ground and subsequent recovery through wells).

Orebody is relatively thin and shallow (foot wall less than 20m below the surface) and flat lying, which means that (unless the in-situ method is chosen), strip mining with gradual rehabilitation of the ground can be done, thus minimising the surface area of open ground at any given time. The nature of the orebody (clay) means that no blasting is required. Both mining and processing consume a lot less energy, and milder reagents, than for hard rock REE deposits mining, meaning that they can have a considerably lower environmental footprint when done properly.

Leaching solutions, however, do require careful handling as they can cause significant damage to the environment, as the unregulated exploitation of some ionic clay REE deposits in Southern China has shown.

The main environmental concerns associated to Ionic Clay REE deposits mining are:

- The management of leaching solutions, in order to ensure that no contamination of the soils or of the aquifers takes place;
- Excavations (where applicable) rehabilitation, to ensure that mined areas can be returned to their previous use post-mining, and that no erosion takes place.

In China, in-situ leaching extractions have become the standard to reduce environmental damage due to lack of rehabilitation after batch or heap leaching.

12. DIVIDEND POLICY

The Company is primarily seeking to achieve capital growth for its Shareholders.

It is the Board’s intention during the current phase of the Company’s development to retain future distributable profits from the business, to the extent any are generated. The Board does not anticipate declaring any dividends in the foreseeable future but may recommend dividends at some future date after the completion of the Acquisition and depending upon the generation of sustainable profits and the Company’s financial position.

The Board can give no assurance that it will pay any dividends in the future, nor, if a dividend is paid, what the amount of such dividend will be. The Company will only pay dividends to the extent that to do so is in accordance with all applicable laws.

13. SHARE OPTIONS

There are no share options in issue as at the date of this Document.

14. EXISTING WARRANTS AND OPTIONS; CONDITIONAL WARRANTS

As at the date of this Document, the Company has granted warrants over 18,183,801 Shares in the Company to certain Directors, Shareholders and others, (the “Existing Warrants”) which shall represent approximately 22.07 per cent. of the Enlarged Share Capital at Admission. The details of the Existing Warrants issued by the Company as at the date of this Document are set out in paragraph 21.6 of Part VII (Additional Information) of this Document.

Following Admission and subject to the Shareholder Authority Resolutions being proposed and passed at a general meeting of Shareholders to be called by the Company, the Company will grant additional Conditional Warrants as follows:

- (i) over an additional 40,000,000 Shares to be issued to Placees and Subscribers under the Fundraising Warrant Instrument;

- (ii) over an additional 14,062,760 Shares to Optiva under the Optiva Warrant Instrument, CLN Warrants and CLN Broker Warrants;
- (iii) over an additional 7,500,000 Shares to CCL under the CCL Warrant Instrument; and
- (iv) if, following the grant of the Fundraising Warrants, such Fundraising Warrants are exercised in accordance with the terms of the Fundraising Warrant Instrument (as detailed in paragraph 21.6(h) of Part VII (Additional Information) of this Document), the Placees and Subscribers will be entitled on such exercise to the issue to them of an equivalent number of Piggyback Options.

If the Conditional Warrants are granted, the aggregate of the Existing Warrants and all Conditional Warrants (including the Piggyback Options) will give a total of 119,746,561 Warrants and options over Shares which would represent approximately 145.32 per cent. of the Enlarged Share Capital as at Admission.

The details of the Conditional Warrant Instruments created by the Company as at the date of this Document are set out in paragraph 21.6 of Part VII (*Additional Information*) of this Document.

15. LOCK-IN AGREEMENT

On Admission, the Directors and the Senior Manager will, in aggregate, hold 6,406,544 Ordinary Shares, representing 7.77 per cent. of the Enlarged Share Capital. The Directors and Senior Manager have agreed with the Company and Optiva, except for certain standard exceptions, not to dispose of any interest in the Ordinary Shares held by them for a period of 12 months following Admission (Lock-In Period) and then for the following 12 months not to dispose of their Ordinary Shares without first consulting the Company and Optiva in order to maintain an orderly market for the Shares.

16. THE PLACING, SUBSCRIPTION AND ADMISSION

Placees and Subscribers have, respectively, agreed to subscribe for the Placing Shares and Subscription Shares at a Placing Price of 5 pence per Placing or Subscription Share. The Placing comprises in aggregate 33,546,000 Placing Shares representing approximately 89.49 per cent., of the Company's Existing Share Capital and will therefore raise approximately £1,677,300 (before Costs). The Placing Shares will represent approximately 40.71 per cent. of the Company's Enlarged Issued Share Capital following Admission and 33.35 per cent. of the Company's Enlarged Issued Share Capital on a fully diluted basis before the Conditional Warrants and 16.16 per cent on a fully diluted basis following grant of Conditional Warrants and full conversion of the CLNs.

Each Placee of the Placing Shares under the Placing has given an irrevocable commitment to subscribe for the Placing Shares (other than a condition relating to Admission) and the Placing is subject to certain conditions as set out in the Placing Agreement including, amongst other things, fulfilment of the following conditions:

- (a) the Placing Agreement having become unconditional in all respects save for completion of the Placing;
- (b) the Company having complied with its obligations under the Placing Agreement in all material respects to the extent that such obligations are required to be performed prior to Admission;
- (c) Admission having become effective at or before 8.00 a.m. on 9 June 2023 but in any event no later than 30 June 2023 and the Placing not having been terminated by Optiva in accordance with the terms of the Placing Agreement.

The Placees do not have any statutory right of withdrawal. If any of the conditions to the Placing are not satisfied, the Placing will not take place and any Placing monies will be returned to the relevant Placee and Admission will not take place. In satisfaction of the conditions under the Placing Agreement, there will be no other condition to Admission.

The Directors believe that raising funds by way of a placing (as opposed to a rights issue or open offer) will provide the certainty required for the Company's funding requirements and is more cost effective than a rights issue or open offer.

The Placing Shares will, when issued as fully paid, rank *pari passu* in all respects with the existing issued Shares, including the right to receive all dividends or other distributions declared, made or paid after the date of their issue and in respect of Voting Rights. The Shares and the Placing Shares are denominated in Pounds Sterling.

A summary of the material terms of the Placing Agreement is set out in paragraph 21 of Part VII of this Document.

Application has been made for all the issued Ordinary Shares of the Company, being the Existing Shares and the New Ordinary Shares, to be admitted to listing as a Standard Listing on the Official List and to trading on the London Stock Exchange's Main Market. It is expected that Admission will become effective and dealings in the Placing Shares will commence at 8.00 a.m. on 9 June 2023. No such application will be made in respect of the Deferred Shares. If the Placing is not completed, no application will be made.

Copies of this Document and other documents the Company is required to make available for inspection will be available to the public, free of charge, from the Company's registered office for a period of 14 days from the date of dealings. Such documents will also be made available on the Company's website at www.altonaRE.com from the date of publication of this Document.

In addition to the Placing, the Company has raised a total of £322,700 through the issue of 6,454,000 Subscription Shares at the Placing Price conditional upon Admission. The Subscription Shares will represent 7.83 per cent of the Enlarged Share Capital on Admission.

In aggregate therefore a total of £2,000,000 Gross Proceeds has been raised in the Fundraising before Costs through the issue of in aggregate 40,000,000 Fundraising Shares at the Placing Price.

The Company and the Directors have ensured that the Company shall have sufficient Shares in public hands, as defined in the Listing Rules. 70,996,655 of the Shares in issue at Admission are held by shareholders that fall within the Listing Rule 14 definition of shares in public hands.

17. PAYMENT FOR THE PLACING SHARES

Each Placee must pay the Placing Price for the Placing Shares issued to the Placee in the manner directed by the Company.

If any investor fails to pay as so directed by the Company, the relevant investor's application for Placing Shares may be rejected.

If Admission does not occur, placing monies will be returned to the Placees without interest at the risk of the applicant.

18. CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of Shares under the CREST system. The Existing Shares were admitted to CREST with effect from admission of the Existing Shares to trading on AIM in 2005. Accordingly, settlement of transactions in the Shares following Admission may take place within the CREST system if any Shareholder so wishes.

CREST is a voluntary system and investors who wish to receive and retain certificates for their securities will be able to do so. Except as otherwise described herein, the Placees may elect to receive Shares in uncertificated form if such Shareholder is a member (as defined in the CREST Regulations) in relation to CREST.

19. TRANSFERABILITY

The Company's Shares are freely transferable, free from all liens and tradable and there are no restrictions on transfer.

20. DEALING ARRANGEMENTS AND ADMISSION

Application has been made to the FCA for all the Shares to be listed on the Official List and application has been made to the London Stock Exchange for the Shares to be admitted to trading on the London Stock Exchange's Main Market for listed securities as a Standard Listing.

Trading of the Company's Ordinary Shares on AQSE was cancelled on 17 March 2023.

It is expected that Admission will take place and unconditional dealings in the Shares will commence on the London Stock Exchange at 8.00 a.m. on 9 June 2023. This date and time may change. It is intended that settlement of Shares allocated to Placees and Subscribers will take place by means of crediting relevant CREST stock accounts on Admission. Dealings in advance of crediting of the relevant CREST stock account shall be at the risk of the person concerned. When admitted to trading, the Shares will be registered with ISIN GB00BFZNV91 and SEDOL number BFZNV9.

21. LIQUIDITY AND CAPITAL RESOURCES, CASH USES, USE OF PROCEEDS, AND USE OF PLACING PROCEEDS

Sources of cash and liquidity

The Company is of the opinion that, taking into account the current cash balance and the Net Proceeds, the working capital available to the Company is sufficient for at least the next 12 months from the date of this Document.

The Group had a negative cash balance of £32,000 at the date of this Document which is retained in the Group's bank accounts and the Net Proceeds of the Placing will be placed in the Company's bank account.

Cash Uses and Use of Fundraising Proceeds

The Company's intention is to use its current cash resources and the Net Proceeds to pay for the Company's Work Programmes for the ongoing development of its REE project in Mozambique (Monte Muambe). Proceeds will also pay pre-existing and ongoing corporate costs and expenses (including Directors' fees and other internal costs), which are estimated to amount to £753,000 for the next 12 months.

As the Company does not intend to generate revenue from its business operations in the foreseeable future, it does not anticipate declaring any dividends in the foreseeable future.

The Board intends to be prudent so as to preserve Company funds as far as possible and will keep costs within the Company's cash reserves at all times, for example, the Board is unlikely to commence detailed due diligence without first having agreed capped fees with its advisers in order that total transaction fees are ascertainable.

Use of Fundraising Proceeds

Conditional on Admission, the Company has raised £2,000,000 Gross Proceeds in the Fundraising resulting in net proceeds of the Fundraising of £1,594,610 ("**Net Proceeds**"). Total expenses incurred by the Company in connection with the Fundraising and Admission are approximately £405,390, of which approximately £71,260 (each exclusive of VAT) has been paid to date. None of the Fundraising costs will be charged to the Placees or to any Shareholders.

It is anticipated that the Fundraising proceeds of £1,665,870 being the Gross Proceeds of the fundraising less the associated costs of the Fundraising and Admission not yet paid, together with the Company's aggregate negative cash resources of £32,000 at the date of this Document, will be used as follows:

Use of Cash Resources and Net Proceeds within 12 months from Admission	£
Monte Muambe Phase 2 Exploration	223,000
Monte Muambe Phase 3 Exploration	229,000
Directors fees and salary	402,000
Administrative costs and General Working capital requirements	351,000
Repayment of loans and interest*	231,000
Reserve Funds**	197,870
	<u>1,633,870</u>

*CCL may elect to receive the due interest and capital in Altona ordinary shares at the lower price of either 5 pence, or the price of any required adjustment event the Company may carry out during the period while the loan is unpaid. The Company and CCL have agreed that this amount will be repaid in cash on the earlier of 30 June 2023 and Admission and therefore no Ordinary Shares will be issued in satisfaction of this debt.

**Funds to be used for exploration at Monte Muambe assuming conversion of Convertible Loan Notes

Upon completion of the Fundraising and Admission, the Company will have sufficient funds to meet its expenditure requirements for at least the next 12 months from the date of this Document.

22. FURTHER INFORMATION

The attention of prospective investors is also drawn to the remaining sections of this Document, which contain further information on the Company and the Group.

PART II

DIRECTORS, SENIOR MANAGEMENT, CONSULTANTS AND CORPORATE GOVERNANCE

Details of the Directors, Senior Management and Consultants and their backgrounds are as follows:

1. DIRECTORS

Martin John Wood (Non-Executive Chairman), aged 54

Martin is the founder and Managing Director of Vicarage Capital Limited, an FCA registered, full service brokerage house which provides assistance to junior and mid-cap resources companies. Martin established Vicarage Capital in 2003 and has advised many companies on their AIM listings and long-term mining strategies.

Martin was the CEO of ASX listed, Kogi Iron Limited between 2017 and 2019, where he secured a community development agreement with key stakeholders, arranged indicative offers for full bank debt-based project financing, as well as completing various on-going milestones, including a Scoping Study and metallurgical test work, as part of the definitive feasibility study. Martin is a non-executive director of Royal Helium Limited and Tungsten West Limited.

Between 1993 and 2003, Martin worked in corporate finance at NM Rothchild & Sons, Standard Bank, London and Benfield Advisory, providing services to resources companies. Martin has an MBA from Exeter University which he gained in 1993.

Cédric Valéry Gérard Simonet (Chief Operating Officer), aged 50 (to be appointed Chief Executive Officer on Admission)

Cédric Simonet holds a PhD in Geology from University of Nantes and has 25 years' experience exploring, developing and mining mineral deposits in Africa and in France. He was Head Geologist and Open Pit Manager at SOGEREM fluorspar mine (Alcan, France) and Africa Region Manager with IGE Resources AB. He was the Head of Drilling at AAA Drilling Ltd and General Manager of NuEnergy Gas Ltd during the same period between 2013 and 2014, before holding the role of General Manager at NuAfrica Gas between 2014 and 2017. He is a co-founder of Akili Minerals Services Ltd., a Nairobi based exploration services company, and has been involved in several exploration projects on REE-carbonatites in Kenya including Ruri, Homa Mountain, Buru and Mrima. He is also a former Chairman of the Kenya Chamber of Mines, and well experienced in operating in this and many other African countries.

Cédric is a member of the European Geologists Federation (Eur Geol no 739). He is qualified to act as a Competent Person (JORC) and as a Qualified Person (NI43-101) on REE-carbonatite exploration projects.

Cédric was appointed as a Non-Executive Director on 24 December 2020 and as Chief Operating Officer on 1 October 2021.

Audrey Mamoshoeshe Mothupi (Non-Executive Director), aged 52

Audrey Mothupi brings over 20 years of business experience. She is the Chief Executive Officer of the South African based SystemicLogic Group – a global financial innovation, data, and technology company with a proven track record for delivering practical solutions to clients across a disparate range of industries and geographies.

Having worked in the public broadcaster, wealth insurance, banking, and now fintech, data and innovation sector, her experience spans across various business domains including group strategy, talent design, marketing and communications strategy as well as data, technology and innovation, integrated with strong corporate relationship management.

Prior to SystemicLogic, Audrey served as the CEO of Group Strategic Services at Liberty Holdings and Head of Inclusive Banking at Standard Bank. She served as an Independent Non-Executive Director at EOH Holdings LTD an African Technology company as well as Arden Capital. She currently serves as independent Non-Executive Director on the boards of Pick 'n Pay, Life Healthcare Group, as well as Altona Plc. She is also the Chair of the board at Roedean School (SA), G100 Global-Chair – AI/Data and Cybersecurity, and was

Chairperson of Orange Babies of South Africa, as well as sitting on the boards of Nordic Female Business Angel Network and the Numeric Board of South Africa. Audrey is a Fellow of the Africa Leadership Initiative (ALI), a board member of the International Women's Forum of South Africa (IWFSA), a member of the International Women's Forum (IWF) and has been named one of Africa's 1,000 most powerful women.

PROPOSED DIRECTORS WITH EFFECT FROM ADMISSION

On Admission, Louise Adrian and Simon Charles will be appointed as Directors of the Company. A biography for each of the Proposed Directors is set out below.

Louise Adrian (Chief Financial Officer), aged 50

Louise Adrian has worked as Altona's accountant for 2 years helping to strengthen both the accounting and corporate governance reporting. She graduated from Oxford University with an MA in Theology and is a member of the Institute of Chartered Accountants in England and Wales. She started her career at Arthur Andersen in London where she gained experience with global energy companies, auditing accounts, reviewing financial and budgetary controls, and critiquing operational strategies. Since 2020 Louise has been a consultant for Orana Corporate LLP ("Orana"), a corporate advisory and services practice, where she has worked with established and newly listed companies, creating corporate governance protocols, producing annual report and accounts, group consolidations and cash flow analysis. Louise also holds a PGCE in secondary education and is a Finance Trustee for a Multi Academy Trust where she has helped to establish a framework for good governance and risk management.

Simon Charles (Non-Executive Director), aged 52

Simon is a solicitor and is a senior partner at City solicitors Marriott Harrison LLP, having joined the firm in 2004. He specialises in company law, with a particular emphasis on acquisitions and disposals, directors' duties, equity and debt fundraises and shareholders' rights, in each case in relation to private and public companies. He has previously worked at Dechert LLP and a US law firm in the City. Immediately prior to joining Marriott Harrison LLP he spent a number of years in the corporate finance department of Numis Securities Limited where he advised private and public companies on debt and equity fundraises, acquisitions and restructurings.

SENIOR MANAGEMENT

Christian Taylor-Wilkinson, Business Development Officer

Christian has been closely associated with Altona since 2014, as the financial PR adviser to the Company, through his agency, Leander PR, which he founded in 2009. He has spent his professional career in the City and has over 25 years' experience advising and working alongside companies of differing sizes and across many sectors, which has given him a broad perspective in the capital markets sector. Christian was instrumental in assisting the Company in its move away from being a coal mining company to one which engaged in the Rare Earth Elements sector.

His background spans investment banking (as a corporate broker at UBS, Merrill Lynch and CSFB), before moving into investor relations and financial PR in 2001. He is also a non-executive director of GCM Resources Plc, a mining and power company listed on AIM.

Christian was appointed to the board of Altona in March 2019 and made Chief Executive on 1 November 2020.

Christian will step down as Director of the Company and Chief Executive Officer on Admission. Following Admission, Christian will remain with the Company carrying out the role of Business Development Officer.

2. CONSULTANTS

Gavin Beer, Consultant Metallurgist

Gavin Beer is a metallurgist with more than 30 years' experience in technical and operational roles and has spent the past 13 years exclusively working within the rare earth and energy materials sector. He has been employed by or has consulted to over 12 rare earth companies including Arafura Resources, Peak Resources, Hastings Technology Metals and Pensana Metals. He is presently engaged by Neometals in the role of General Manager Metallurgy and has been retained by RareX and Hexagon Resources as a Technical Advisor.

Gavin is a Member and Chartered professional of the Australian Institute of Mining and Metallurgy. He is recognised as a Competent Person for JORC and as a Qualified Person for NI 43-101 with respect to his metallurgical expertise and is globally recognised as a leading metallurgical expert in the rare earth industry.

3. CORPORATE GOVERNANCE

3.1 Corporate Governance

As a Company with a Standard Listing, the Company is not required to comply with the provisions of the UK Corporate Governance Code. The Directors are committed to maintaining high standards of corporate governance and propose, so far as is practicable given the Company's size and nature, to adopt and comply with the QCA Code.

3.2 Voluntary compliance with Listing Rules

The Company will comply with the Listing Principles set out in Chapter 7 of the Listing Rules at Listing Rule 7.2.1 which apply to all companies with their securities admitted to the Official List. In addition, the Company will also comply with the Listing Principles at Listing Rule 7.2.1A notwithstanding that they only apply to companies which obtain a Premium Listing on the Official List. Therefore, the Company shall:

- take reasonable steps to enable its directors to understand their responsibilities and obligations as directors;
- act with integrity towards its shareholders and potential shareholders;
- ensure that each class of shares that is admitting to trading shall carry an equal number of votes on any shareholder vote. The Company currently has only one class of Shares that will be admitted to trading and the Articles which are summarised in Part 7.3, section VII confirms that each Share carries the right to vote;
- ensure that it treats all holders of the same class of shares equally in respect of the rights attaching to those shares; and
- communicate information to its shareholders and potential shareholders in such a way as to avoid the creation or continuation of a false market in those shares.

4. BOARD COMMITTEES

The Board is committed to the principles underpinning good corporate governance, applied in a manner which is most suited to the Company, and to best addressing the Directors' accountability to security holders and other stakeholders. The Company publishes its Corporate Governance Statement on its website at www.altonaRE.com.

Compliance committee

Simon Charles is the chair of the Compliance Committee and Louise Adrian and Martin Wood are members of the committee.

The principal purpose of the Compliance Committee is to ensure that the Company complies with its obligations under the Listing Rules for Companies of the London Stock Exchange plc (the "**Listing Rules**") and, in particular, makes timely and accurate disclosure of all information that is required to be disclosed to meet its disclosure obligations arising from the admission of its shares to trading on the Standard Segment of the Main Board of the LSE. The Compliance Committee will meet at least three times a year and is responsible for ensuring that the Group's compliance is proactive and properly monitored, controlled and undertaken. The

Compliance Committee is responsible for the scope and effectiveness of the compliance by the Group with statutory and regulatory requirements. The Company Secretary will prepare the minutes and circulate agendas for meetings.

The main responsibilities and duties of the Compliance Committee shall be to:

- ensure that sufficient procedures, resources and controls are in place to ensure Listing Rules and Disclosure Guidance and Transparency Rules (“DTR”) compliance;
- ensure each meeting of the Board includes a discussion of Listing Rules and DTR matters;
- ensure that the Executive Directors and members of the Committee are communicating as necessary regarding ongoing compliance with the Listing Rules in relation to proposed or potential transactions;
- ensure that each of the directors of the Company from time to time fully understands the requirements of the Listing Rules and DTR;
- ensure that the Company has in place sufficient procedures to approve any share dealing by directors or employees of the Company and to ensure that all share dealings are disclosed without delay in accordance with the Listing Rules and DTR;
- ensure that all announcements made have been verified by the Company’s legal advisers on all material announcements to Regulatory News Service (“RNS”);
- monitor press coverage to ensure that no price sensitive information is being included in any press briefings;
- question the Board to ascertain the reasons for any unusual, substantial movement in the Company’s share price;
- ensure that the Directors are supplied with information on the Company’s financial condition on a regular and timely basis and of any other key developments in the Company from time-to-time;
- assess whether the Board are aware of their Listing Rules responsibilities from time-to-time and, where any deficiencies are noted, arrange for the Company’s lawyers to brief the Director(s) concerned;
- circulate any changes (together with an explanation) to the Listing Rules or DTR to the Board;
- meet with the Board at least every 6 months to discuss and confirm that the Listing Rules have been complied with in the period. Keep minutes of these meetings;
- in the event that any meeting with the Board has identified any actual or possible non-compliance issues then discuss those issues immediately with the Company’s lawyers to determine the course of action to be taken;
- be responsible for any investigation launched by LSE or FCA into the Company’s affairs; and
- approve a statement on Listing Rule Compliance for inclusion in the Company’s interim statement and annual financial statements.

Audit Committee

Simon Charles is the chair of the Audit Committee and Audrey Mothupi is a member of the committee.

The Audit Committee will receive and review reports from management and from the Company relating to the interim and annual accounts and to the system of internal financial control.

The Audit Committee is responsible for assisting the Board’s oversight of the integrity of the financial statements and other financial reporting, the independence and performance of the Company, the regulation and risk profile of the Group and the review and approval of any related party transactions. The Audit Committee may hold private sessions with management and/or without management present. Further, the Audit Committee is responsible for making

recommendations to the Board on the appointment of the Company's auditors and the audit fee, and reviews reports from management on the financial accounts and internal control systems used throughout the Company and the Group.

The Audit Committee will meet at least two times a year and is responsible for ensuring that the Group's financial performance is properly monitored, controlled and reported. The Audit Committee is responsible for the scope and effectiveness of the external audit and compliance by the Group with statutory and other regulatory requirements. The Company Secretary will prepare the minutes and circulate agendas for meetings. The auditors will be invited to meetings when required, at least once annually ahead of the approval of the annual financial statements.

With respect to the Audit Committee:

- monitors in discussion with the Company the integrity of the financial statements of the Company and the Group, any formal announcements relating to the Company's and Group's financial performance and reviews significant financial reporting judgments contained in them;
- reviews the Group's internal financial controls and reviews the Group's internal control and risk management systems;
- considers annually whether there is a need for an internal audit function and makes a recommendation to the Board;
- makes recommendations to the Board for it to put to the shareholders for their approval in the general meeting, in relation to the appointment, re-appointment and removal of auditors and to approve the remuneration and terms of engagement of auditors;
- reviews and monitors the auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant professional and regulatory requirements;
- develops and implements policy on the engagement of auditors to supply non-audit services, taking into account relevant external guidance regarding the provision of non-audit services by the auditor; and
- reports to the Board, identifying any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken.

The Audit Committee is provided with details of any proposed related party transactions in order to:

- consider and approve the terms and conditions of such transactions or to avoid breaches of the FCA Rules; and
- consult with the FCA where the relevant percentage is breached (either in isolation or cumulatively).

The Audit Committee is also to review arrangements by which the staff of the Company and the Group may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters and ensure that arrangements are in place for the proportionate and independent investigation of such matters with appropriate follow-up action.

Where necessary, the Audit Committee obtains specialist external advice from appropriate advisers.

Remuneration Committee

Audrey Mothupi is the chair of the Remuneration Committee and Simon Charles is also a member of the committee.

The Remuneration Committee is responsible for considering all material elements of remuneration policy, the remuneration and incentivisation of Executive Directors and senior management (as appropriate) and to make recommendations to the Board on the framework for executive remuneration and its cost. The role of the Remuneration Committee is to keep under review the Company's remuneration policies to ensure that the Company attracts, retains and motivates the most qualified talent who will contribute to the long-term success of the

Company. The Remuneration Committee also reviews the performance of the CEO and CFO and sets the scale and structure of their remuneration, including the implementation of any bonus arrangements, with due regard to the interests of shareholders.

The Remuneration Committee will also be responsible for granting options under the Company's Share Option Plan and, in particular, the price per share and the application of the performance standards which may apply to any grant, ensuring in determining such remuneration packages and arrangements, due regard is given to any relevant legal requirements, the provisions and recommendations in The QCA Corporate Governance Code 2018.

The committee will meet up to twice per annum. Appointments to the committee will be made by recommendation of the Board. No further appointments are expected until the number of non-executive directors on the Board increases.

The Remuneration Committee:

- determines and agrees with the Board the framework or broad policy for the remuneration of the CEO and CFO;
- determines the remuneration of Non-Executive Directors;
- determines targets for any performance-related pay schemes operated by the Company and the Group;
- ensures that contractual terms on termination and any payments made are fair to the individual, the Company and the Group, that failure is not rewarded and that the duty to mitigate loss is fully recognised;
- determines the total individual remuneration package of the CEO and CFO, including bonuses, incentive payments and share options;
- is aware of and advises on any major changes in employees' benefit structures throughout the Company and the Group;
- ensures that provisions regarding disclosure, including pensions, as set out in the (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations 2019, are fulfilled; and
- is exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Remuneration Committee.

Nominations Committee

Simon Charles is the chair of the Nominations Committee and Audrey Mothupi is a member of the committee.

The Nominations Committee shall be responsible for considering all criteria for new Executive and Non-Executive Director appointments, including experience of the industry in which the Group operates and professional background. Specifically, the Nominations Committee:

- is responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;
- evaluates the balance of skills, knowledge and experience on the Board and, in the light of this evaluation, prepares a description of the role and capabilities required for a particular appointment;
- reviews annually the time required from the Non-Executive Directors and assess whether each Non-Executive Director is spending enough time to fulfil their duties;
- considers candidates from a wide range of backgrounds;
- gives full consideration to succession planning in the course of its work, taking into account the challenges and opportunities facing the Group, and the skills and expertise therefore needed on the Board, reporting to the Board regularly;

- regularly reviews the structure, size and composition (including the skills, knowledge and experience) of the Board and make recommendations to the Board with regard to changes;
- keeps under review the leadership needs of the Group, both executive and non-executive, with a view to ensuring the continued ability of the Group to compete effectively in the marketplace;
- makes a statement in the annual report about its activities, the process used for appointments and explains if external advice or open advertising has not been used, the membership of the Nominations Committee, number of Nominations Committee meetings and attendance over the course of the year;
- ensures that on appointment to the Executive and Non-Executive Directors receive formal letters of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside Board meetings;
- considers and makes recommendations to the Board about the re-appointment of any Non-Executive Director at the conclusion of their specified term of office or retiring in accordance with the Company's Articles of Association; and
- considers and make recommendations to the Board on any matter relating to the continuation in office of any Director at any time.

5. GROUP POLICIES

Anti-bribery and Anti-corruption Policy

It is the Company's policy, as set out in the Anti-bribery and Anti-corruption Policy, to conduct all of its business in an honest and ethical manner and to take a zero-tolerance approach to bribery and corruption. The Company is committed:

- to acting professionally, fairly and with integrity in all of its business dealings and relationships wherever it operates; and
- to implementing and enforcing effective systems to counter bribery and corruption, including the adoption of this Policy.

The purpose of the Policy is to set out the Company's responsibilities, and the responsibilities of those working for the Group, in observing and upholding its position on anti-bribery and anti-corruption and to provide information and guidance to those working for the Group on how to recognise and deal with bribery and corruption issues.

Share Dealing Policy

The Company has adopted a share dealing policy regulating dealing in securities of the Company by the Board and other persons discharging managerial responsibilities (and their persons closely associated) which contains provisions appropriate for a company whose shares are admitted to trading on the LSE and subject to MAR. The Company will take all reasonable steps to ensure compliance by the Board and any relevant employees with the terms of that share dealing policy. The Directors consider that this share dealing policy is appropriate for a company whose shares are admitted to trading on the LSE.

Whistle Blowing Policy

It is the Company's policy, as set out in the whistle blowing policy, to provide an internal mechanism for reporting, investigating, and remedying any wrongdoing in the workplace. The aims of the policy are:

- To encourage staff to report suspected wrongdoing as soon as possible, in the knowledge that their concerns will be taken seriously and investigated as appropriate, and that their confidentiality will be respected.
- To provide staff with guidance as to how to raise those concerns.
- To reassure staff that they should be able to raise genuine concerns in good faith without fear of reprisals, even if they turn out to be mistaken.

- The policy takes account of the Whistleblowing Arrangements Code of Practice issued by the British Standards Institute and Public Concern at Work.
- The policy does not form part of any employee's contract of employment and it may be amended at any time.

PART III
COMPETENT PERSONS REPORT

Competent Person's Report

Monte Muambe REE - Mozambique

23 January 2023

Prepared by: J.P. Hattingh
BSc (Hons.), FGSSA, *Pr.Sci.Nat.*

Modelling & Estimation by: M.J. Phipps
BSc (Hons.), FGSSA, *Pr.Sci.Nat.*

Reviewed by: C. Hattingh
BSc (Hons.), FGSSA, *Pr.Sci.Nat.*

Directors: J.P. Hattingh, C. Hattingh

Executive Summary

Altona's Monte Muambe Project in Mozambique is centred on a known carbonatite volcano within the Chilwa Alkaline Province which is host to other anomalously REE mineralised carbonatites within the region. The site is favourably located with respect to transport routes and ports and is within a stable political environment in an area with an existing mining culture and fair infrastructure.

Altona's systematic exploration coupled with historical data has allowed for the delineation of targets within the project area, and the early reporting of a REE Exploration Target across their Targets 1 & 4 of between 56.7Mt and 6.5MT at TREO grades ranging from 1.65% to 2.45% using the described constraints and methodology in this report.

Exploration completed by Altona by the end of 2022, seeks to better define existing targets, test additional targets highlighted by their exploration, and seeks to provide sufficient detail and coverage to allow for the definition of a maiden Mineral Resource Estimate in the first quarter of 2023 where possible.

Disclaimer

The information in this document that relates to exploration results is based on information compiled by J.P. Hattingh who is a Member of SACNASP and the GSSA. J.P. Hattingh is not an employee of Altona. J.P. Hattingh has sufficient experience relevant to the styles of mineralisation and types of deposit under consideration and the activities being undertaken to qualify as a Competent Person as defined by JORC 2012.

The Exploration Target described in this document is conceptual in nature, and there is insufficient information to establish whether further exploration will result in the determination of a Mineral Resource within the meaning of the JORC Code.

Whilst Rock and Stock Investments (Pty) Ltd has taken all reasonable care with respect to the compilation of the information, Rock and Stock Investments (Pty) Ltd makes no representation as to its accuracy or reliability. We advise that you seek independent professional advice before making any investment decisions.

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1 Project Outline

1.1. Scope & Location

Altona Rare Earths Plc (Altona) engaged Rock and Stock Investments (Pty) Ltd (RSI) to provide a Competent Person’s Report on the Exploration Results pertaining to the Rare Earth Element, Monte Muambe Project, in Tete Province, Mozambique. This report has been completed in compliance with Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC, 2012). The project relates to an area covered by prospecting licence LPP7573L.

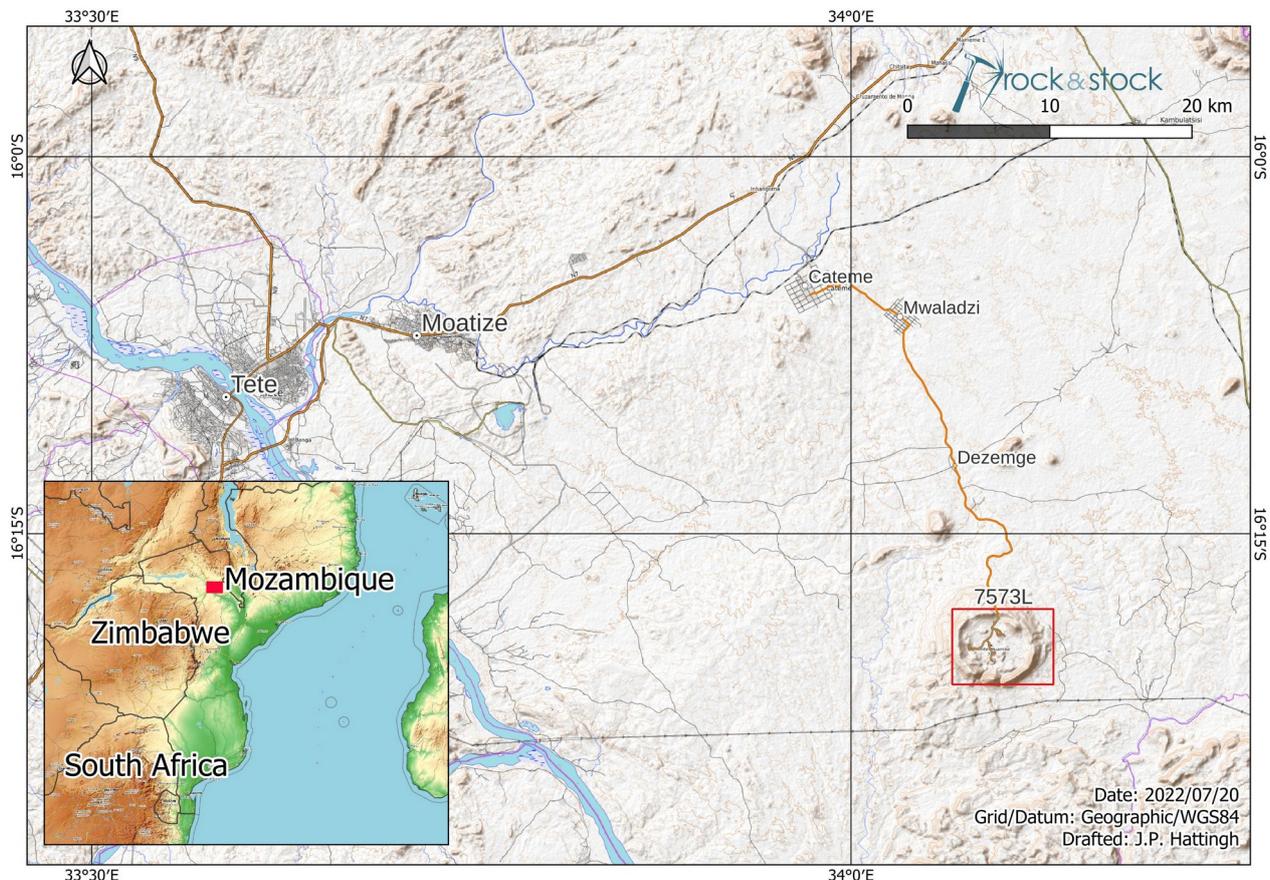


Figure 1: Location of Monte Muambe Project, Licence LPP7573L in Tete Province, Mozambique.

This report provides the reader with an overview of exploration results to date, with particular attention to the exploration work completed by Altona on prospecting licence LPP7573L. Altona is targeting rare earth element (REE) mineralisation and has drill tested a number of targets on the project.

Mozambique is a Southern African country located on the south-east coast of Africa sharing borders with Tanzania, Malawi, Zimbabwe, Eswatini (Swaziland) and South Africa. Mozambique gained its independence from Portugal in 1975 and has been generally peaceful since multi-party elections in 1994, following a protracted period of civil war after independence.

Following multiparty elections, the country has enjoyed fairly stable and robust economic growth in the region, impacted as elsewhere by the Covid-19 pandemic and to an extent by a low level Islamic insurgency, in Cabo Delgado Province where natural gas deposits were found.

The Monte Muambe Project is centred on a carbonatite volcano located 55 kilometres south-east of the town of Tete in Tete Province, Mozambique (Figure 1).

Unless otherwise stated, all diagrams and positions in this report utilise the WGS84 datum and geographic coordinates or UTM36S projected coordinates in metres.

1.2. Tenure & Licencing

A legal due diligence did not form part of the scope of this report and the author has made sole reliance on that information publicly available and that provided by Altona.

Monte Muambe Project is covered by prospecting licence LPP7573L, with the licence corners granted, indicated in Table 1. Licence LPP7573L covers an area of 3,939.96 hectares. This licence was originally issued in the name of the Mozambican entity, Ussokoti Investimentos Sociedade Unipessoal Limitada (Ussokoti), and was issued for the period 22 May 2017 to 22 May 2022. Ussokoti requested an extension of the period of the prospecting licence and a transfer of LPP7573L to Monte Muambe Mining Limitada (MMML). MMML is a Special Purpose Vehicle (SPV), setup for purposes of Altona’s earn-in into the project. In terms of Mozambican laws, a prospecting licence may be issued for an initial period of 5 years and renewed for an additional 3 year period.

Point	Latitude		Longitude	
	Degrees	Minutes	Degrees	Minutes
1	-16	18	34	4
2	-16	18	34	8
3	-16	21	34	8
4	-16	21	34	4

Table 1: Licence Corners for LPP7573L as granted.

On 26 October 2022, INAMI notified MMML that the license had been transferred to it from Ussokoti and renewed for a further 3 year term, up to and including 22 May 2025. As at the date of this report, the Mozambique Mining Cadastre Portal indicates that the license is held by MMML, and expires on 22 May 2025 (MMCMP, 2023).

As at 23 January 2023 MMML is held 20% by Altona. In terms of the agreements between Altona, Ussokoti and MMML, Altona will bear 100% of the project costs up to completion of

Phase 3 and holds a majority position on the board of MMML. The earn-in arrangement between the companies is broadly as follows (Table 2, Altona, 2021):

Stage	Cash Payment	Share Payment	Holding in SPV
On signing			1%
Phase 1	£40,000 (at start)	1 million Altona shares (at end)	20%
Phase 2	£40,000 (at start)	1 million Altona shares (at end)	51%
Phase 3	£160,000 (4 tranches of £40,000 over the period)	1 million Altona shares (at end)	70%

Table 2: Altona Earn-in Arrangements for Monte Muambe Project.

The work and minimum expenditure commitments are as follows:

Phase 1 (8 months): 3,000m exploration drilling programme, with a minimum expenditure commitment of USD400,000.

Phase 2 (12 months): In-fill drilling programme to produce a maiden Mineral Resource Estimate to establish the Total Rare Earths Oxide (“TREO”) present, and first pass metallurgy which is a key parameter for REE projects, with a minimum expenditure commitment of USD700,000.

Phase 3 (2 years): Preparation of a feasibility study, with a minimum expenditure commitment of USD2 million. The Company will also apply for a mining concession during this phase.

1.2.1 Applicable Mineral Law and Licencing

Whilst this report deals purely with exploration results and in no way implies that there are mineral resources or ore reserves or that they will be defined in due course, the following broadly outlines the mineral law, licence requirements and implications with respect to any mining in Mozambique. The current law came into force on 18 August 2014 (Norton Rose Fulbright, 2014). Licences can be awarded to any legal person established and registered in Mozambique who have the required technical and financial capacity. The following licences are available (Thomson Reuters, 2020):

- Prospecting and Research License (Licença de Prospecção e Pesquisa or LPP),
 - Up to a maximum area of 19,998 hectares for non-construction minerals (such as REE),
 - Issued for a period of up to 8 years;
- Mining Concession (Concessão Mineira),
 - Valid for a period of 25 years and can be extended for a further period of 25 years,
 - Confers the right to extract, develop and process mineral resources discovered under an Exploration Licence;
- Mining Certificate (Certificado Mineiro),

- Relevant mainly to small-scale artisanal mining activities. Granted to Mozambican nationals and legal entities;
- Mining Pass (Senha Licença),
 - Relevant mainly to small-scale artisanal mining activities. Granted to Mozambican nationals and legal entities;
- Mining Treatment Licence (Licença de Tratamento Mineiro),
 - Applicable where the investor does not hold a valid Mining Concession, Mining Certificate or Mining Pass;
- Mining Processing Licence (Licença de Processamento Mineiro),
 - Applicable where the investor does not hold a valid Mining Concession, Mining Certificate or Mining Pass; and
- Licence for the Commercialisation of Mining Products (Licença de Comercialização de Produtos Mineiros),
 - Governs the activity of the sale and purchase of mineral products sourced from outside of Mozambique.

Following from a prospecting licence (LPP), in the case of a large scale, non-artisanal or locally operated mining operation, a mining concession would be required for the mining of any ore reserves should they be defined.

Royalties and taxes which would become applicable in the instance of any mining include: Income Tax, Value Added Tax (VAT), Production Tax (in essence a royalty of 3% in the case of REE), Surface Tax (related to area held), Municipal Taxes and any other taxes required by law.

Mining activities would require a full environmental impact assessment (EIA) and the mining company must provide a bond to cover the costs of environmental restoration during the closure of the mine. The bond can be an insurance policy, a bank guarantee or a deposit in cash in a bank account provided by MIREME. The amount of the bond is based on an estimate of the costs of the restoration (calculated during or after the active life of the project). The amount is set by MIREME and is reviewed every two years. For mining, the amount is based on the terms of the EIA.

1.3. Access

Monte Muambe is approximately 50km east-south-east of the city of Tete, the capital city of Tete Province which lies on the banks of the Zambezi River and at the site of two bridges which cross the Zambezi (one currently being rebuilt following recent flooding). The city of Tete also sits at the critical juncture of the all weather tar roads linking Harare, Zimbabwe with Blantyre, Malawi, as well as the port cities of Quelimane and Beira in Mozambique. Additionally Tete is immediately adjacent to and adjoining the coal mining town of Moatize, which has a railway

linking it to the port city of Beira. At its closest point the Moatize-Beira railway line is approximately 20km north-east of the Monte Muambe crater.

The city of Tete, in addition to important rail and road links is also serviced by international flights to Tete’s Chingozi Airport by Airlink out of South Africa, as well as locally by Mozambican carrier LAM - Mozambique Airlines.

Access to Monte Muambe from Tete is first via 45 kilometres on an all weather tar road up to the town of Cateme, just south of the N7 national road, and from there a further approximately 33 kilometres of unimproved dirt road to the crater rim of Monte Muambe where the exploration field camp is located (Figure 2).

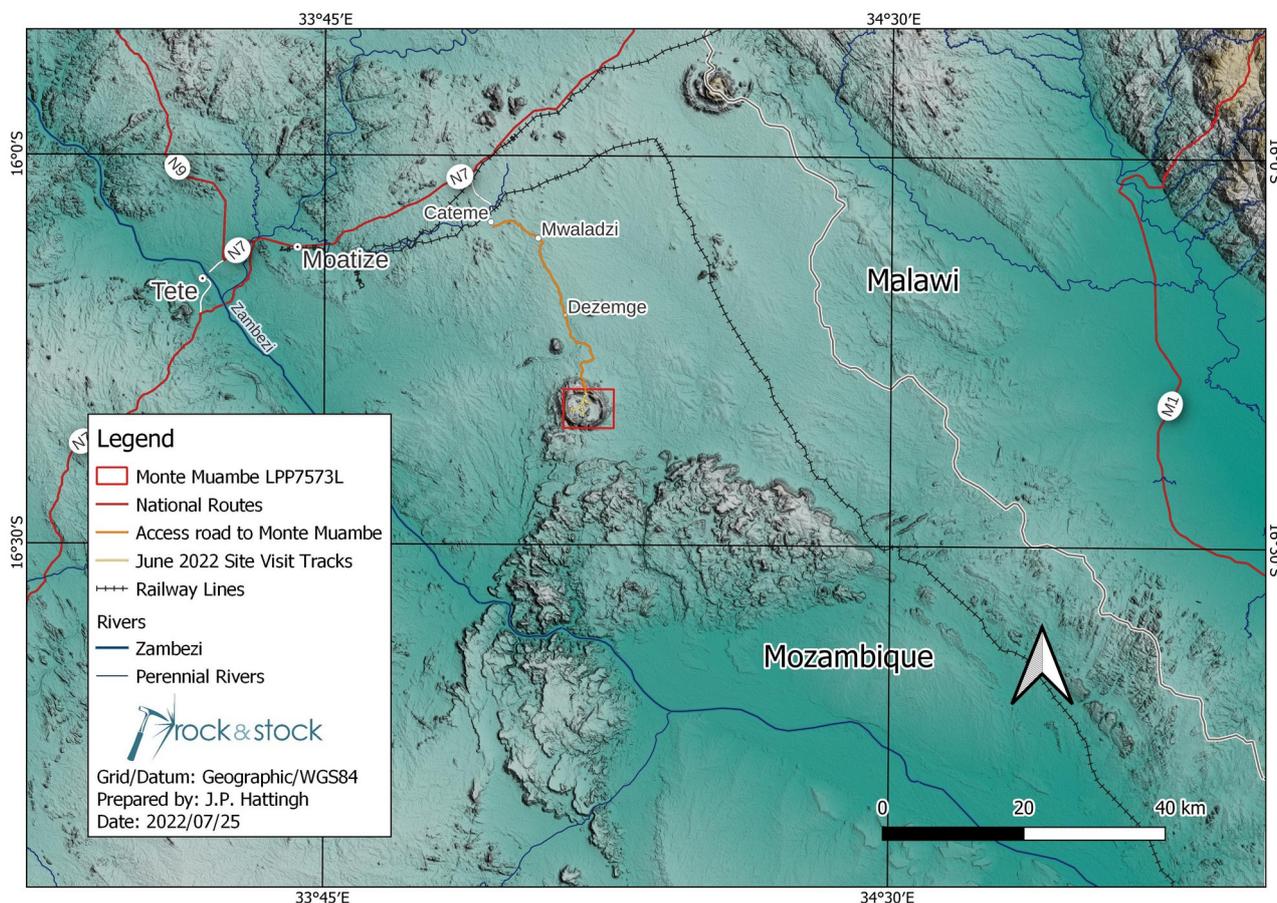


Figure 2: Primary infrastructure in relation to Monte Muambe Project overlain on hillshaded SRTM elevation map.

Access from the Monte Muambe crater rim to the interior hills and valley floor where the carbonatites are located is via good condition dirt tracks from the field camp and office.

1.4. Climate

The nearest specific climatic data obtainable is for Tete. In general temperatures at the crater rim can be a few degrees cooler than in Tete (which is far lower in elevation), with an elevation difference of up to 600m on the crater rim and 400m inside the crater. The climate of Tete is tropical semi-arid, with a hot, rainy and mostly cloudy period from December to March and a long dry windy and mostly clear season from April to October, within which there is a relatively cool period from June to August (Climates To Travel, n.d.). Tete, being located in central-western Mozambique, at a low altitude along the Zambezi River, is the hottest area of the country. The most intense heat waves occur in the last months of the year, before the rainy season. Over the course of the year, the temperature typically varies from 18°C to 36°C and is rarely below 16°C or above 41°C.



Figure 3: Climate data for Tete (WMO, 2022).

Exploration and any future possible mining and processing will be affected by the rainy season, especially insofar as transport of men and materials to the work areas. However, while it would be preferable to complete exploration outside of the rainy season, in an operational (mining and processing) environment it is not deemed likely that the climate would be responsible for a curtailed operating season. Whilst historical exploration has typically occurred during the dry season, MMML has worked through wet seasons.

1.5. Power

Mozambique has approximately 2.8GW of installed capacity (Energypedia, 2022 and USA International Trade Administration, 2021). The electricity supply is managed by Electricidade de Moçambique (EDM). The largest power generation plant in the country, which is still responsible for the bulk of installed capacity, is the Cahora Bassa hydro dam, operated by the government owned Hidroelectrica de Cahora Bassa (HCB). HCB sells 65% of its existing generation to South Africa, and the remaining 35% is sold to the northern regions of

Mozambique and to Zimbabwe. HCB’s operations are located on the Zambezi River in Tete Province.

Currently only 34.9% of the population has access to electricity, with most of that being urban supply, this is largely due to an underdeveloped transmission and distribution network, lack of financing, the bureaucracy involved in developing new power projects and unfavourable market conditions for new generation (IEA, 2022).

Share of population with access to electricity

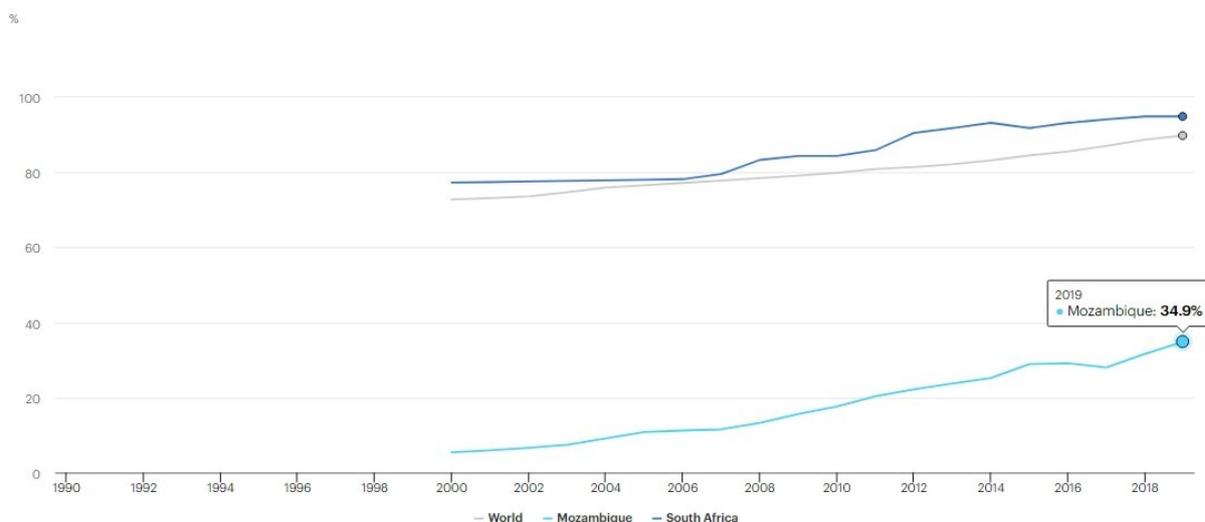


Figure 4: Mozambican Access to Electricity, relative to World and South Africa (IEA, 2022).

In spite of the current constrained power situation, Mozambique has the largest power generation potential of all Southern African countries. It is estimated that it could generate 187 gigawatts of power from coal, hydro, gas, and wind resources, excluding solar (USA International Trade Administration, 2021). The government also has a number of projects to both increase capacity as well as transmission, large projects notably include:

- The Cahora Bassa North Bank Hydropower expansion, to add an additional 850 to 1300 MW.
- The 1500 MW Mphanda Nkuwa Hydropower (60 km downstream from Cahora Bassa dam and 70 km upstream from Tete city).
- As well as various gas-to-power Thermal Power Plants centred on the Temane-Pande gas fields in central Mozambique and the Rovuma basin gas fields in northern Mozambique. These projects both include accompanying transmission line projects in line with the Mozambique government’s MEFA Programme (Mozambique Energy for ALL) which aims (i) to increase stability of the Mozambican power system, (ii) enable a large expansion of power sales to Southern Africa Power Pool (SAPP), (iii) expand access to electricity and (iv) assist in improving EDM’s financial sustainability.

The first Independent Power Projects (IPPs) in Mozambique came online in 2015. The Gigawatt 120MW gas-fired power station at Ressano Garcia plant was commissioned in 2015 under a Power Purchase Agreement (PPA) with EDM. Gas-based generation in Mozambique is expected to increase by 18.1% annually through 2025. Mozambique's first utility-scale solar power plant, a photovoltaic plant with a capacity of 40MW, was commissioned in Zambézia Province in 2017. Additionally, there are numerous other greenfield opportunities for both solar and wind projects. Mozambique has set significant targets for the development of its electricity sector: at least 2,300 MW of new installed capacity by 2030 and about 5 million new connections, both on grid and off grid, to achieve universal access to electricity by 2030 (AFDB, 2021).

In spite of Mozambique's current frequent power shortages mainly due to extreme weather events and lack of capacity, the current projects, build programme and government initiatives, speak to an easing power situation in the country, though commissioning on time and bureaucratic hurdles are likely to remain issues in the near future.

Power supply is a critical factor in the running of any operations and any future planning needs to take cognisance of the currently constrained power supply. Any future possible operations would need to take cognisance of the available power supply and transmission and may also need to factor in transmission lines and/or self or co-generation. The current power situation will not impact on any planned exploration activities.

1.6. Water

Licence LPP7573L does not contain any perennial rivers and the crater itself is drained by two non-perennial streams which exit the crater in the south and then eastwards and ultimately southwards towards the Zambezi. The limited water currently required for exploration activities and personnel, is pumped from a borehole sited within the crater area.

Water for any potential mining and processing activities would likely need be sourced from new well-fields and/or catchment dams.

1.7. Environment

The LPP7573L does not fall within any proclaimed reserve or park. The Mozambique cadastre system (MMCMP (2022) shows it is within "Áreas Interditas", though this is only applicable to coal licences (*pers comm* C. Simonet). There is no visible settlement within the crater area, though members of the local population are known to visit the area to collect wood and other natural resources, including hunting of small game - MMML has sought to protect the local forest and discourages local hunting and the collection and harvesting of wood.

Exploration activities are covered by a simplified Environmental Impact Assessment (EIA) and any future possible mining require the submission of an Environmental Management Programme (EMP) as part of the Mining Concession application process. For mining a full EIA is required.

1.8. Social

No people live within the crater on LPP7573L and no structures related to any communities are located within the crater. The local population in the area are known to visit the crater area for hunting and gathering purposes but have made no permanent structures or dwellings within the crater.

1.9. Adjacent Properties & History

1.9.1 Adjacent Properties

Licence LPP7573L covers the carbonatite volcano entirely, immediately adjoining prospecting rights are in respect of base metals and iron and cover dissimilar geology. Similarly the closest active mines are concerned with the exploitation of Karoo aged coal deposits and are unrelated to the Monte Muambe volcano or carbonatites.

1.9.2 History

Earliest mention appears to be Dixey, F. (1930) who refers to the geology of Monte Muambe in the February 1930 issue of the Geological Magazine. Dixey states “limestone is locally impregnated with manganiferous iron ores”, remembering of course that at that point there was much debate as to the origin of such apparently “intrusive” sedimentary rocks. Dixey’s interest was largely academic as at the time of publishing he filled the position of Director of the Geological Survey of Nyasaland (now Malawi).

The property currently being explored is entirely related to the Monte Muambe volcano which has seen earlier exploration specifically related to its fluorite occurrences. The carbonatite-related Monte Muambe volcano falls within the Chilwa Alkaline Province (CAP) which stretches from the southern end of Lake Malawi southwards into Mozambique to Monte Muambe and as such the greater province contains other alkaline deposits and carbonatites though these are spatially separated from Monte Muambe (Figure 5).

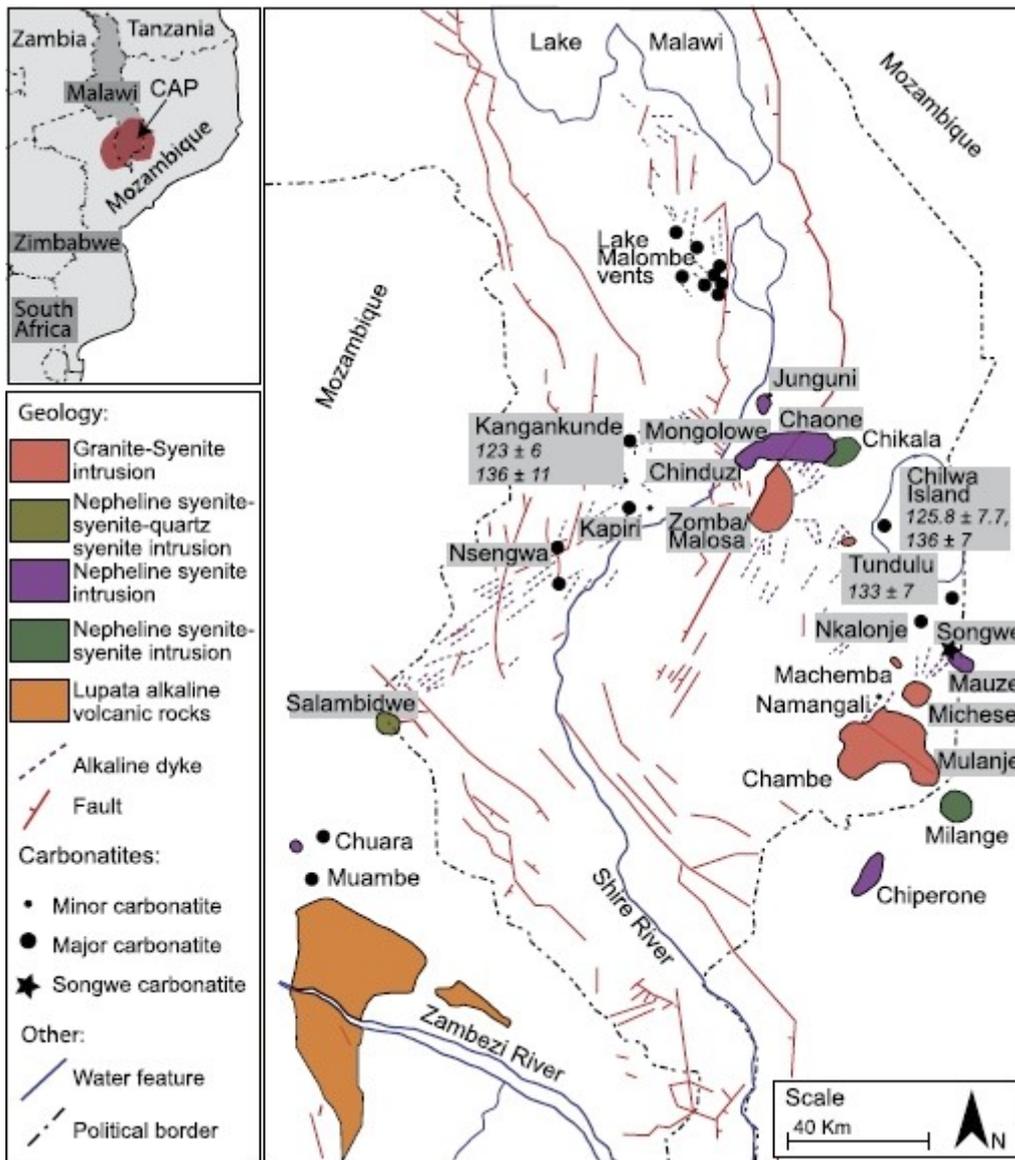


Figure 5: Monte Muambe indicated in the southwestern end of the Chilwa Alkaline Province (Broom-Fendley et al, 2017).

REE mineralisation is known from a number of carbonatites in the Chilwa Alkaline Province with the most well-known of these being Mkango Resources Ltd’s Songwe Hill REE deposit in Malawi, some 200km north-east of Monte Muambe – this project is in an advanced phase of feasibility though not yet in production (Mkango, n.d.).

Exploration directly related to the site, following Dixey’s 1930 mention, includes geologist Bettencourt Dias having spent two field seasons in the area exploring for REE and U in 1960 and 1961 (Siegfried, 2022), followed by work in the early 1980’s by the Institute for Geological and Geophysical Research, Beograd, Yugoslavia, whom mapped Monte Muambe, documented fluorite, excavated a number of trenches and reported 1,422,906 t of fluorite ore containing 79% of fluorite (Cílek, 1989) and (Afonso and Marques, 1993 cited in Lächelt, 2004).

In 1998, Grupo Madal appointed Geodass who completed a helicopter borne geophysical airborne survey. The survey was measured at a line spacing of a 100m, with both magnetic as well as radiometric data consisting of K, U and Th being recorded (Siegfried, 2022). Together with BHP, Grupo Madal, collected a bulk sample of the fluorite mineralisation which was subject to metallurgical bench studies by the group MINTEK in South Africa (Moodley, 2000). The Mintek work was able to produce a fluorspar concentrate of 96% CaF₂ at 62% recovery.

In 2009 the Australian listed junior mining company Globe Metals and Mining (Globe) entered into a joint venture agreement with the licence holder to acquire up to a 90% in the Monte Muambe Project. In 2012 they announced an inferred mineral resource of 1.63 million tonnes grading 19% fluorite using a 10% CaF₂ cut-off of, for an inferred fluorite resource of 310 thousand tonnes. Quantitative Group Pty Ltd performed the estimation and reporting in accordance with JORC 2004 (Journeaux, 2012), and based it on data from 97 reverse circulation (RC) boreholes provided by Globe. Globe also started to identify REE mineralisation at this time and designated REE targets in six separate zones which they named: AA, BB, CC, DD, GG and MAG Zone. These targets were then tested by the continuing RC borehole programme from the initial fluorite drilling programme. RC drilling included boreholes on their Zone AA and EE which are largely analogous with MMML's Targets 1 and 4. In November 2013 Globe announced their withdrawal from the project citing their view of unfavourable economics of the deposit at that time and their intention to focus on their more advanced Kanyika Niobium Project in Malawi. At cessation of activities, Globe had drilled 165 holes for a total drill length of 12,587m.

In 2021 Altona raised funding to acquire rare earth projects. In June 2021 Altona announced the acquisition of the Monte Muambe Project. Geological fieldwork commenced shortly thereafter and in October 2021 Altona commenced their first drilling project.

1.10. Competent Persons and Site Inspection

J.P. Hattingh is the Competent Person who bears overall responsibility for the drafting and compilation of this report and personally visited LPP7573L from the 20th to the 24th of June 2022, spending 4 nights in the Monte Muambe field camp on site.

M.J. Phipps performed the modelling and estimation utilised for the reporting of an exploration targets in this report.

2 Geological Setting, Deposit & Mineralisation

2.1. Regional Geology

Monte Muambe is an almost perfectly circular carbonatite volcano measuring approximately five kilometres in diameter. The intrusive is broadly zoned with a carbonatite core surrounded by fenite. The high crater rim being defined by relatively more indurated arkosic sandstone country rock of the Karoo Supergroup. The intrusive, falls within the Late Jurassic to Early Cretaceous Chilwa Alkaline Province (CAP) (Figure 5) which intruded the Karoo lithologies. Monte Muambe which lies at the intersection of the east-west Zambezi Mobile Belt and the North-South rift margin, was fairly comprehensively mapped by Dias (1961) and was

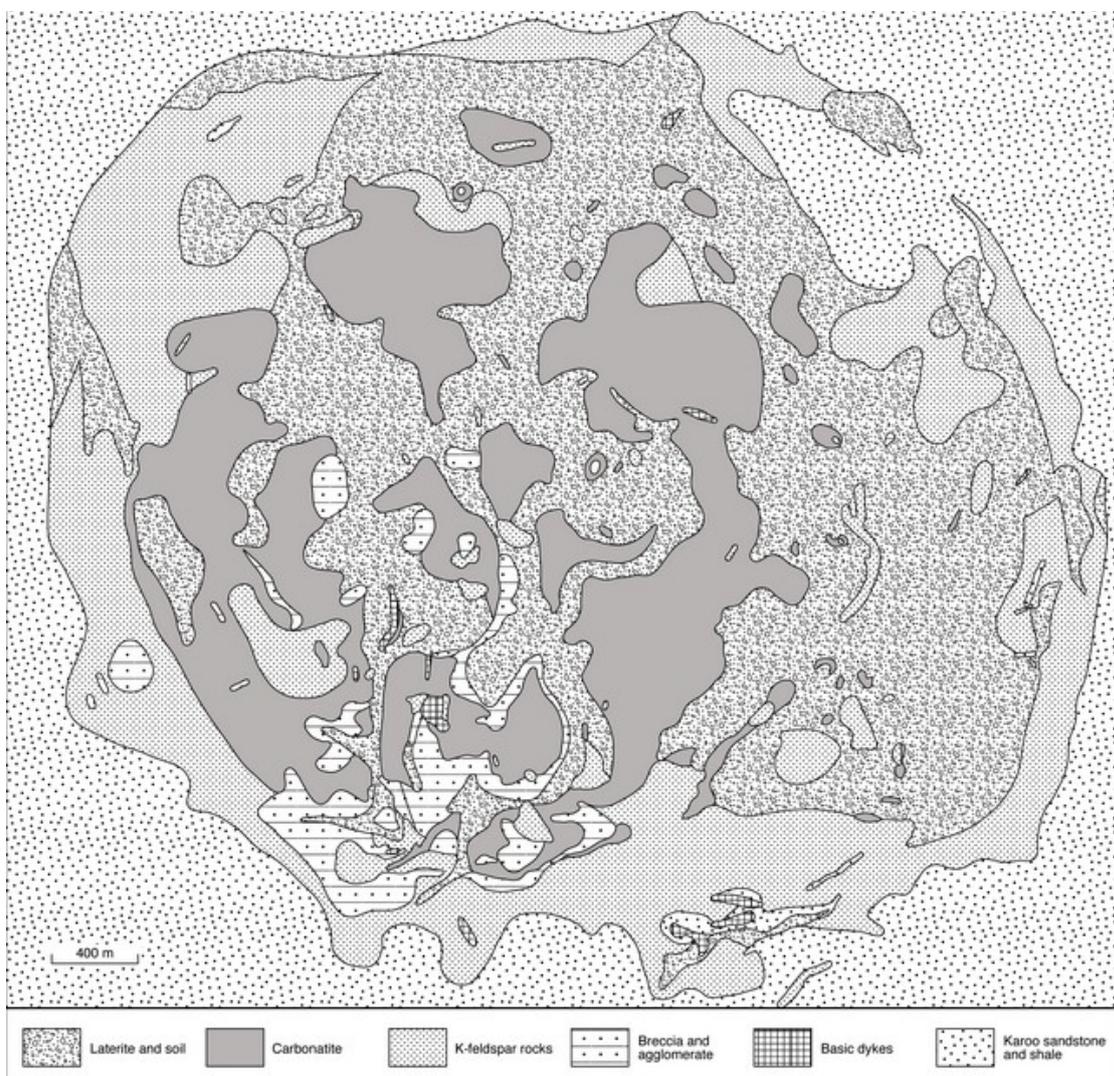


Figure 6: Monte Muambe Geological Map after Dias (1961) in (HiTech AlkCarb, 2019).

subsequently partially re-mapped or check-mapped by Globe (Figure 7)(Siegfried, 2022) with a very similar map being produced.

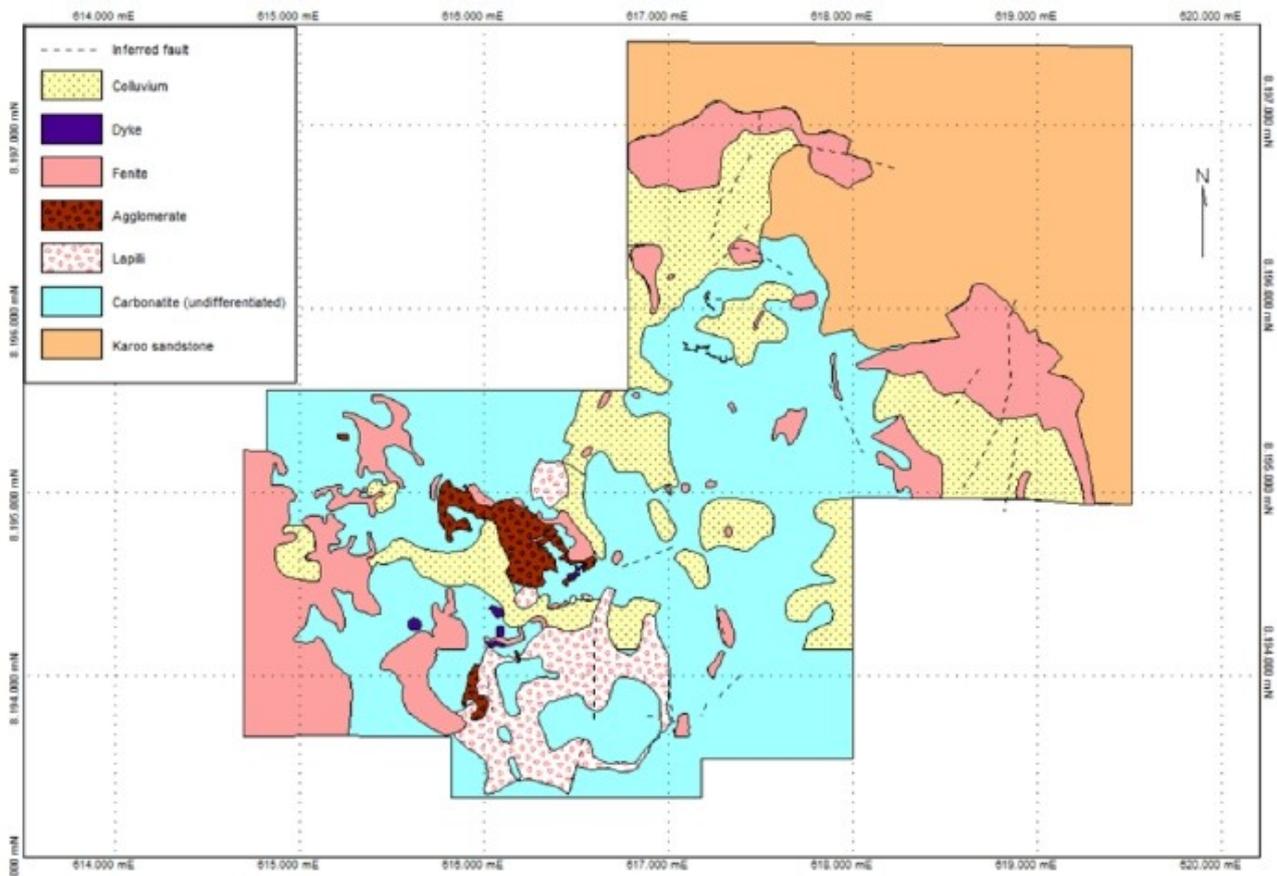


Figure 7: Partially completed Monte Muambe Geological Map by Globe (Siegried, 2022).

The geology indicated in Figure 8 is based on an amalgamation of the simplification of the historical mapping and the regional geological map.

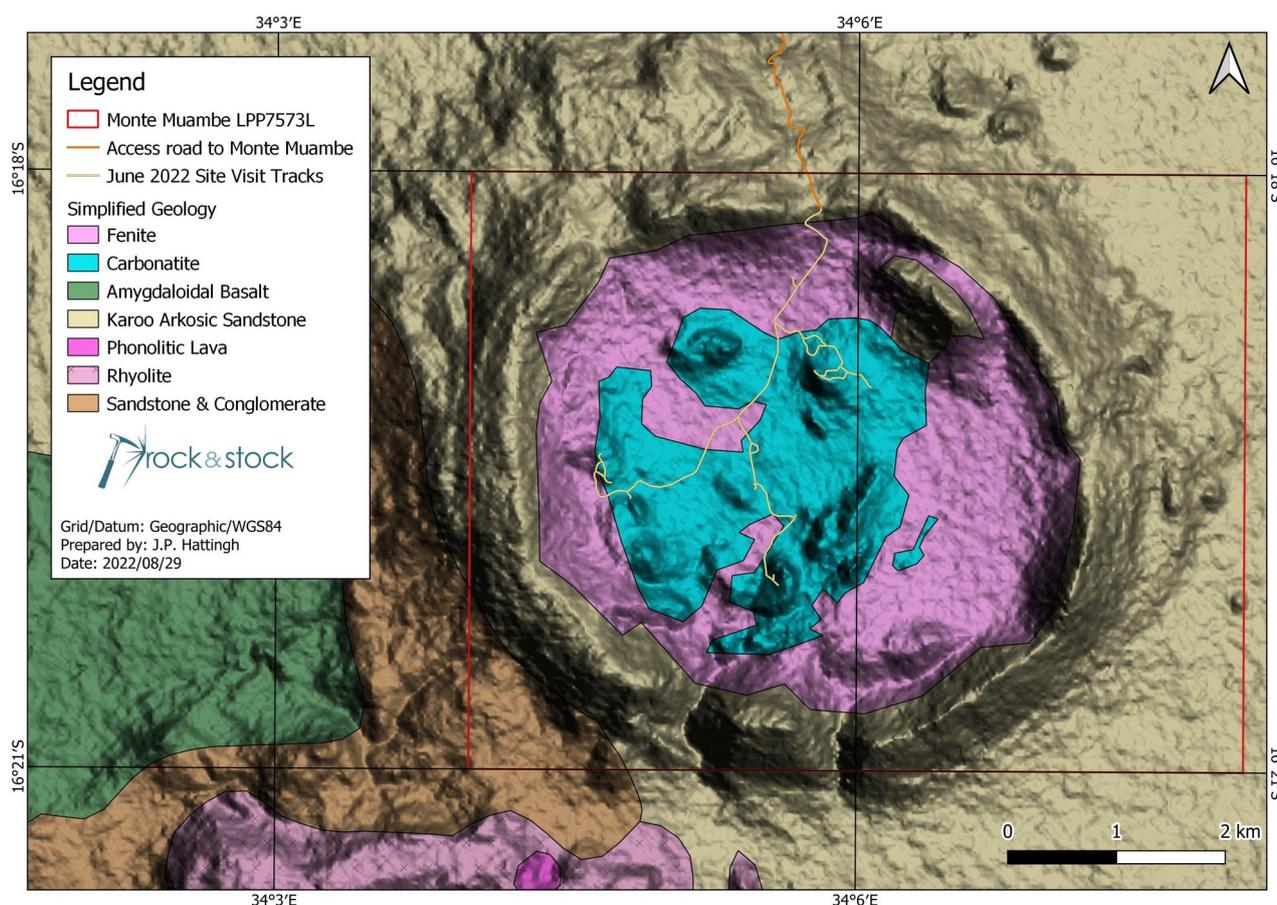


Figure 8: Geological Map of Monte Muambe overlain on SRTM.

Monte Muambe has intruded arkosic sandstones of the Karoo Supergroup, Cádzi Formation. To the south are volcano-sedimentary formations of the Cretaceous Lupata Group (Figure 8).

2.1.1 Lupata Group

Lithologies of the Lupata Group are found immediately to the south of Monte Muambe and do not actually occur within the area of interest. The Group comprises a number of Formations of interlayered sediments (sandstones and conglomerates) with basic volcanics at the base to acidic formations at the top of the Group.

2.1.2 The Chilwa Alkaline Province (CAP)

The widespread CAP is comprised of numerous syenitic to carbonatitic intrusions in Southern Malawi extending south to Monte Muambe in Mozambique. The CAP is located in and around the Shire Rift at the southern end of the East African rift system. The CAP includes 17 carbonatite intrusions and the Monte Muambe carbonatite in Mozambique. The largest intrusions are essentially composed of peralkaline syenite and granite, and form prominent steep-sided mountains. The largest of these is the Mulanje Massif which rises steeply from the Phalombe plain (Woolley, 1991). The CAP can be broadly divided into three igneous rock

series: (1) syenites-quartz syenites-granites; (2) nepheline syenites-syenites; and (3) nephelinites-carbonatites-nepheline syenites. The syenites-quartz syenites-granites suite is represented by the Zomba-Malosa and Mpyupyu intrusions in the north and the Chambe, Mulanje, Michese, Machema, and Namangali intrusions to the southeast (Nyalugwe *et al*, 2019). A review of available age data for the CAP by Nyalugwe *et al* places the age of the emplacement to ~140Ma to ~85Ma - that is Cretaceous (see also Figure 5). There is no accurate age determination for Monte Muambe.

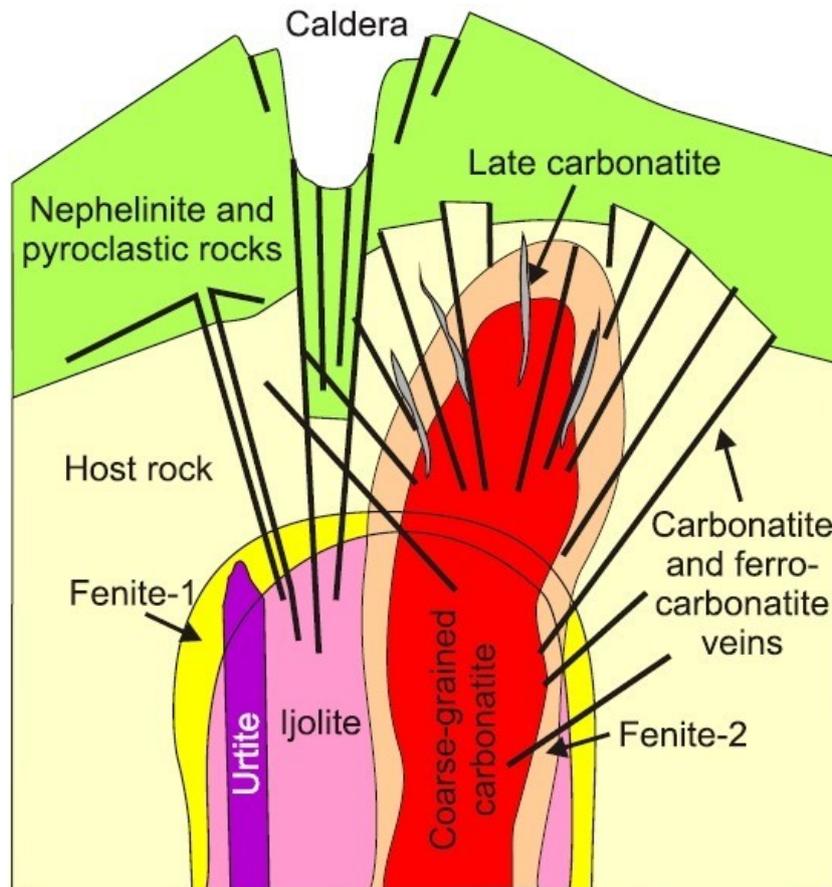


Figure 9: Schematic model of carbonatite intrusion (after Le Bas 1987 in Strekeisen, n.d.)

2.1.2.1 Carbonatite

Carbonatites are defined in the IUGS system of classification as igneous rocks composed of more than 50 modal per cent primary/magmatic carbonate (*sensu lato*) and containing less than 20 weight percent SiO₂ (Le Maitre, 2002). Varieties of carbonatite are named on the basis of the dominate carbonate mineral, for example, calcite carbonatite, dolomite carbonatite, etc. (Woolley & Kempe 1989). Mitchell (2005) proposes a “looser” classification with carbonatite defined as any rock containing greater than an arbitrary 30% by volume primary igneous carbonate regardless of silica content. His classification methodology is done in order to deal with genetically diverse carbonatites and he utilises the concepts/groups being broadly

“magmatic” or “carbohydrothermal” on the basis of their mineralogy and their intrusive or extrusive characteristics (he provides further subdivisions based on their mineral constituents). Magmatic carbonatites are described by Le Bas’ model as in Figure 9, where the various associated lithologies and features commonly seen at the sites of carbonatite intrusives are both explained and summarised. Broadly the lithologies and features viewed at the specific site can be related back to the schematic, with the erosional level and geomorphology at the site determining the assemblage.

Most carbonatites were emplaced in continental extensional settings and range in age from Archean to recent. They commonly coexist with alkaline silicate igneous rocks, forming alkaline-carbonatite complexes, but some occur as isolated pipes, sills, dykes, plugs, lava flows, and pyroclastic blankets. Cone sheets, ring dykes, radial dykes, and fenitisation-type halos form part of an exploration model for carbonatites and the recognition of associated alkaline silicate igneous rocks increases the footprint of the target. Undeformed complexes typically have circular, ring, or crescent-shaped aeromagnetic and radiometric signatures (Simandl and Paradis, 2018).

2.1.2.2 Fenite

Cooling and crystallising carbonatitic and alkaline melts expel multiple pulses of alkali-rich aqueous fluids which metasomatize the surrounding country rocks, forming fenites during a process called fenitization. These alkalis and volatiles are original constituents of the magma that are not recorded in the carbonatite rock (Elliot *et al.*, 2018). Fenites are typically composed of, and characterized by, K-feldspar, albite, alkali pyroxenes and/or alkali amphiboles (Zharikov *et al.*, 2007).

2.1.2.3 Agglomerates

Carbonatite agglomerates and breccias are common features of carbonatite volcanoes, generally associated with volcanic vents and interactions between new pulses of magma and older emplacements and cooled wall rocks.

2.1.3 Karoo Sediments

Monte Muambe intrudes Upper Karoo Supergroup sediments, regionally indicated as the Permian-Triassic Cádzi Formation (equivalent chronostratigraphically to the Beaufort Group in South Africa). The Cádzi Formation arkosic sandstones are indurated by the intrusion of the carbonatites and the indurated arkosic sandstones form an erosion resistant high lying rim to the Monte Muambe structure.

2.1.4 Deposit Geology

The Monte Muambe carbonatite is a fine to medium crystalline magmatic, calcic carbonatite with lesser dolomitic portions/contributions identified to date. Martitic to sideritic inclusions are common in the field and in diamond drilled core. The carbonatites are light grey to brown on the weathered surface and dark to light brown on the fresh surface. Greater or lesser degrees of alkali feldspar, brown siliceous material and iron rich martite is observed and is usually entrained parallel to the well-developed igneous banding. The rocks outcrop as flat pavements or frequently with characteristic karstic weathering features (Figure 10).



Figure 10: Typical elephant skin weathering and dissolution features of surface exposures of carbonatite (Target 1).

An important constituent of the complex, fenite occurs along the inner part of the crater in contact with the carbonatites. These rocks are usually light cream to buff in colour although haematite enriched areas are fairly red. The rocks are coarse to pegmatoidal in texture although fine-grained facies are also observed. The fenites are often fractured and fine trellis breccias can sometimes be noted (Siegfried, 2022). The fenites contain appreciable amounts of

potassium feldspar and are particularly visible on a potassium plot from the radiometric imaging (Figure 11).

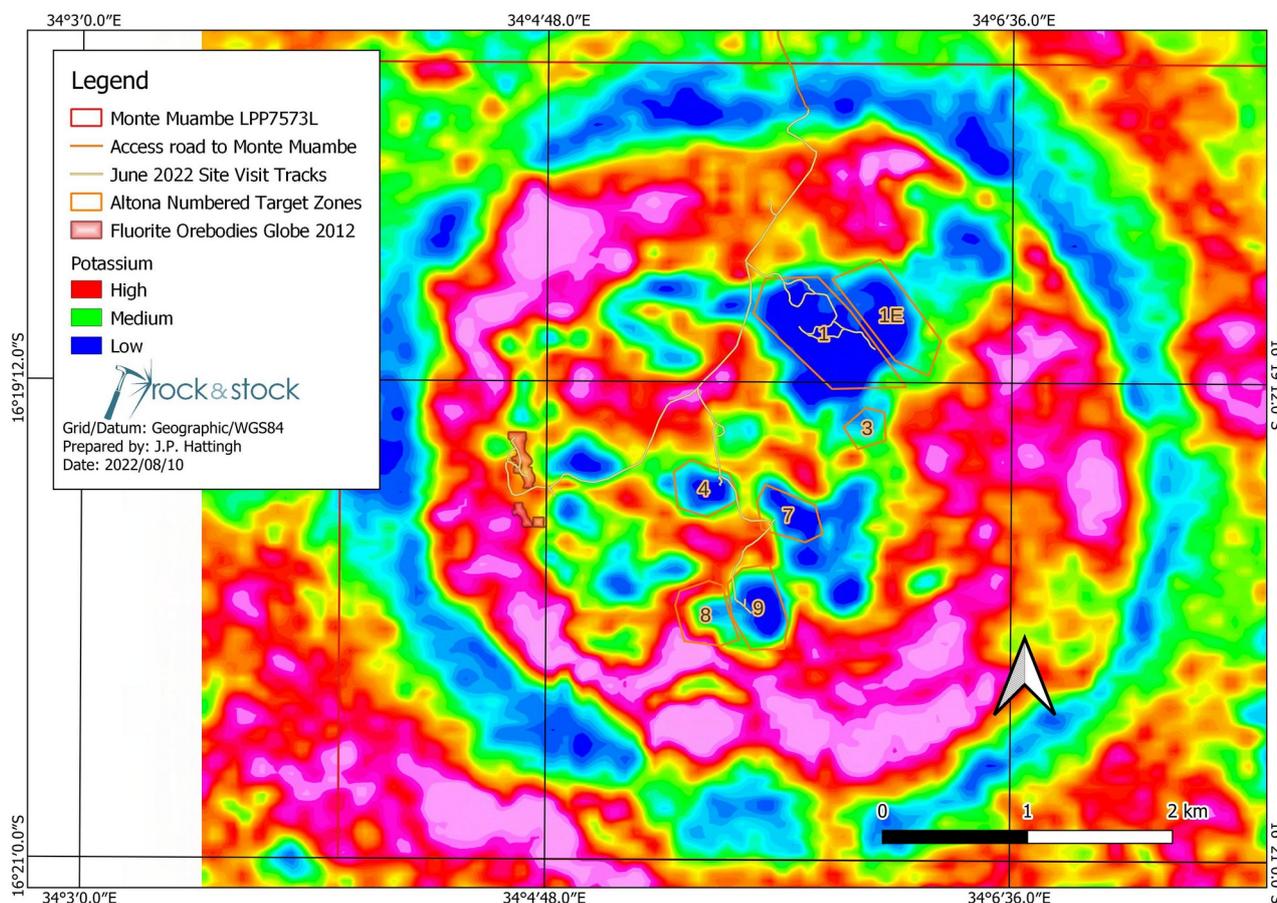


Figure 11: Potassium Plot. Altona REE targets largely confined to Potassium lows (blue) whilst Potassium highs (reds to pinks) describe a Fenite zone with fluorite orebodies at the juncture between highs and lows.

Agglomerates are mapped predominantly in the central south part of Monte Muambe (Figure 6 & Figure 7), and brecciated zones are frequently observed in the diamond cored boreholes.

2.1.4.1 Fluorite Mineralisation

Fluorite mineralisation principally occurs in association with the fenite-carbonatite contact in the western parts of the Monte Muambe crater though is observed throughout the crater area (Figure 12).

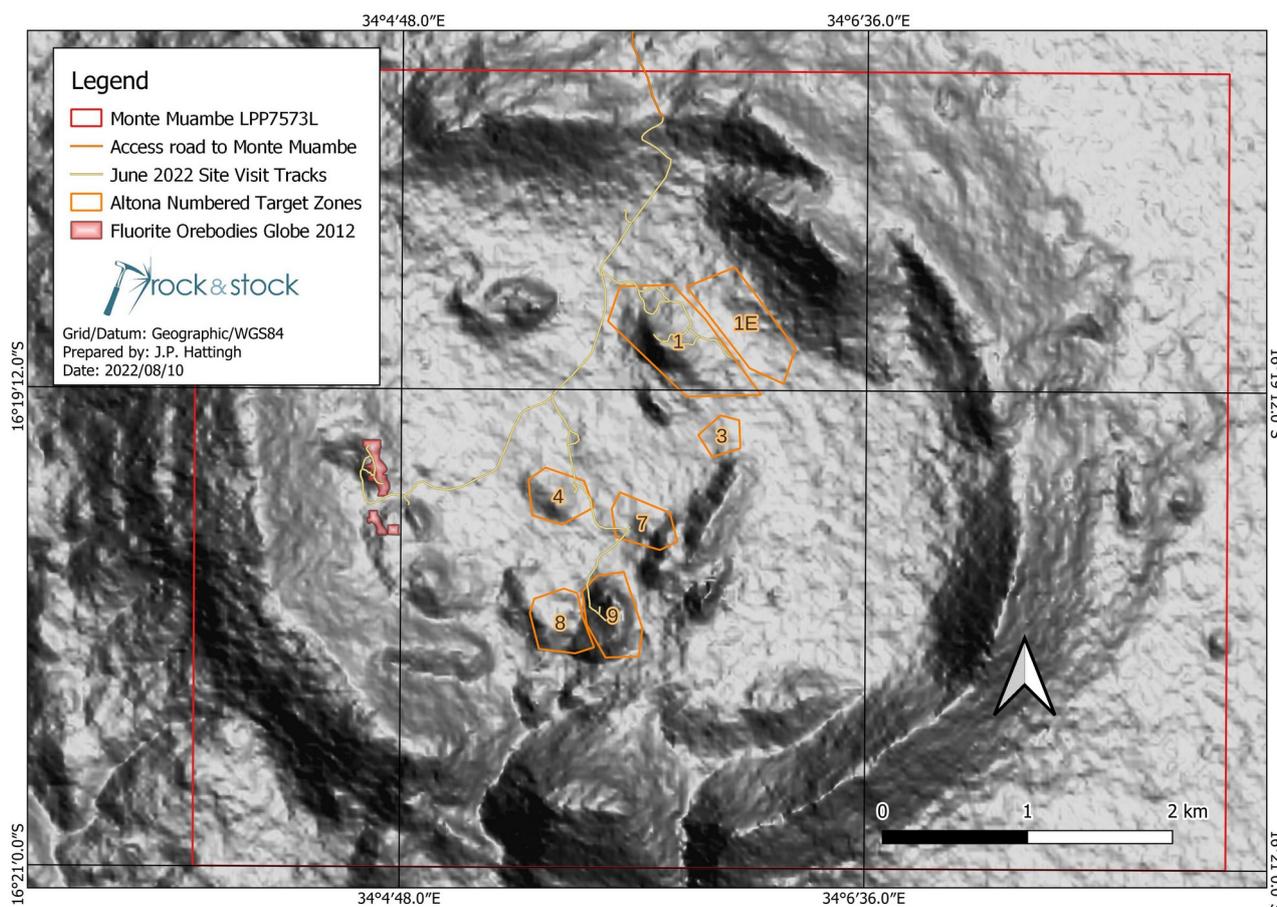


Figure 12: Monte Muambe - Altona Numbered Target Zones and Globe Fluorite Orebodies.

The fluorite forms replacement bodies of irregular yet lenticular shape (Siegfried, 2022). The fluorite appears in forms from blues to yellow with botryoidal yellowish varieties observed in an old trench in the west, purportedly excavated by Beograd (*pers comm* local mature worker) (Figure 13).



Figure 13: Botryoidal fluorite outcrop in trench on main fluorite orebody.

The Quantitative Group who produced a report on the fluorite resources in 2012 and modelled and estimated the main fluorite occurrence at Monte Muambe, reported the fluorite mineralisation to occur within north-striking, sub-horizontal fenite sheets that are above a larger carbonatite body (Journeaux, 2012). On the basis of their modelling, they interpreted three main, north striking mineralised “lodes” extending over 680m in strike length, up to 160m across strike and close to 30m vertically in places with the mineralisation occurring close to, or from, the surface. The mineralisation was reported to occur primarily as horizontal lenticular sheets (Figure 14).

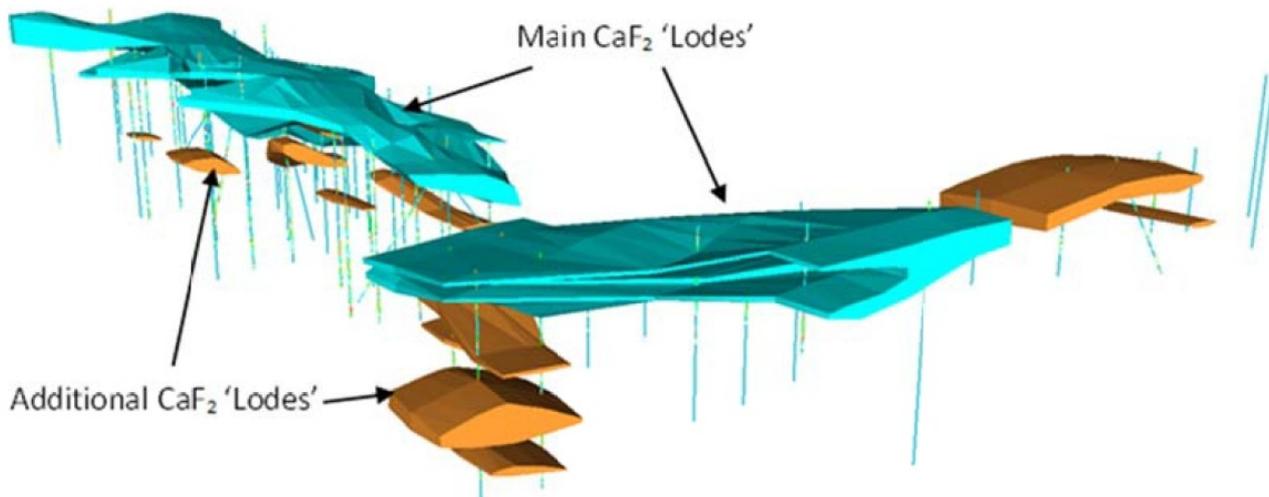


Figure 14: Quantitative Group's 3D model of Fluorite orebody on west side of Monte Muambe crater (Journeaux, 2012).

2.1.4.2 REE Mineralisation

In common with most magmatic REE deposits, mineralisation is not easily recognisable in hand specimen and observation and recognition of mineralisation is primarily by assay. Conspicuous REE mineralisation at Monte Muambe was first reported on by Globe who recognised the anomalous enrichment during their exploration of the fluorite resource. Subsequent drilling by Globe primarily targeted radiometric anomalies. Very limited petrographic studies by both Globe and Altona suggests that REE mineralisation is at least partially associated with Bastnaesite ((La, Ce, Y)CO₃F) (Siegfried, 2022). Initial drilling by Altona also focused on radiometric anomalies whilst a new soil sampling programme proved to be invaluable in delineating REE targets for follow-up drilling.

2.2. Geological Models

2.2.1 Carbonatite Hosted REE Deposits

There are 17 rare earth elements (REE), comprising the lanthanides (atomic number 57-71) and scandium and yttrium. Scandium and yttrium are grouped with the rare earth elements because they tend to occur in the same ore deposits as the lanthanides and exhibit similar chemical properties, but have different electronic and magnetic properties. REE are frequently subdivided into Heavy (HREE) and Light Rare Earth Elements (LREE), though the division is inconsistently applied. The divisions are best applied: La-Nd = LREE; Pm is not stable in nature; Sm-Gd = medium LREE; and Tb-Lu+Sc+Y=HREE.

														3 IIIB
														21
														Sc
														44.956
														39
														Y
														88.906
57	58	59	60	61	62	63	64	65	66	67	68	69	70	71
La	Ce	Pr	Nd	Pm	Sm	Eu	Gd	Tb	Dy	Ho	Er	Tm	Yb	Lu
138.91	140.12	140.91	144.24	(145)	150.36	151.96	157.25	158.93	162.50	164.93	167.26	168.93	173.04	174.97
LREE					MREE			HREE						

Figure 15: Position of REE on periodic table and LREE - HREE subdivision.

Generally, the most REE-enriched magmatic rocks are carbonatites, followed by peralkaline granites and syenites. As a broad generalisation, enrichment of the REE to ore levels is the consequence of the incompatible behaviour of the REE during magmatic crystallisation and their limited solubility in low temperature aqueous solutions, making the REE largely immobile during weathering. Harmer and Nex (2016) maintain that the enrichment of the REE to potentially-economic ore grades generally requires the action of more than one geological process - these they grouped, on the basis of the temperature range over which they operate, into Primary Magmatic, Magmatic/Hydrothermal and Epithermal Processes. This division is utilised for purposes of the discussion on carbonatite hosted REE deposits.

Primary Magmatic Processes are related to the primary source where carbonatites are the most naturally enriched in REE, though even these are generally seen as having been enriched by further processes. **Magmatic/Hydrothermal Processes** sees late stage enrichment of (generally) carbonatite, where fluids react with the crystallised assemblage causing modification to mineralogy and texture, usually with associated enrichment in the REE. The highest REE concentrations are typically encountered in iron-rich dolomitic carbonatite varieties: those with ferroan dolomite to ankerite as the main carbonate phase, sometimes accompanied by siderite. **Epithermal/Supergene Processes** see REE effectively being concentrated in residual deposits such as laterites produced by prolonged tropical weathering. In carbonatites chemical weathering causes the breakdown of the main carbonatite minerals: dissolution of the carbonate phases and apatite releases the REE, which are subsequently incorporated into new REE supergene phosphate and carbonate minerals such as monazite and/or bastnaesite. REE enrichments achieved in these residual deposits are typically 5-10 times those in the original source rock. Ion-adsorption clays constitute a special type of supergene residual REE deposit. These were first recognised and exploited in southern China, and have made a crucial contribution to China's near-monopolistic domination of the world rare earth market. In the south China deposits, deep weathering of granitic and acid volcanic rocks without significant denudation, has given rise to weathering profiles rich in clays. Rare earths released into solution during the breakdown of REE-bearing accessory phases in the protolith

are adsorbed onto kaolinitic and halloysitic clay minerals and retained in the regolith. Intra-element fractionation of the REE occur during this process and relative HREE concentrations tend to increase with depth across the weathering profile (Chi and Tian, 2008; Bao and Zhao, 2008). Ce, the most naturally abundant REE, does not concentrate in the residual clays as a consequence. It has been estimated that residual clay type REE deposits account for 80% or more of the world's HREE resources (Chi and Tian, 2008). The most advanced deposit of this type in Africa is the Tantalus deposit in Madagascar (Harmer and Nex, 2016; Estrade et al., 2019).

The process model applied to the Monte Muambe REE deposit is a magmatic/hydrothermal one where you have a relatively REE enriched primary REE deposit which is further enriched through hydrothermal late stage fluids. The possibility of epithermal/supergene processes have been explored to a limited extent by Altona to date, with the drilling of a fence line of boreholes in the central flat area between Targets 1 and 4 - boreholes MM025 to MM034. The boreholes however, only intersected very thinly developed, poor mineralised soils.

Chondrite normalised plots for magmatic/hydrothermal carbonatite REE deposits, are provided for 4 African deposits by Harmer and Nex (2016), with Songwe and Kangankunde from those 4 examples both being from the Chilwa Alkaline Province (Figure 16). It is likely that the relative proportions of the rare earth oxides (REO) and shape of a chondrite normalised plot for Monte Muambe, when available, will reflect similar a similar shape and proportions of REO.

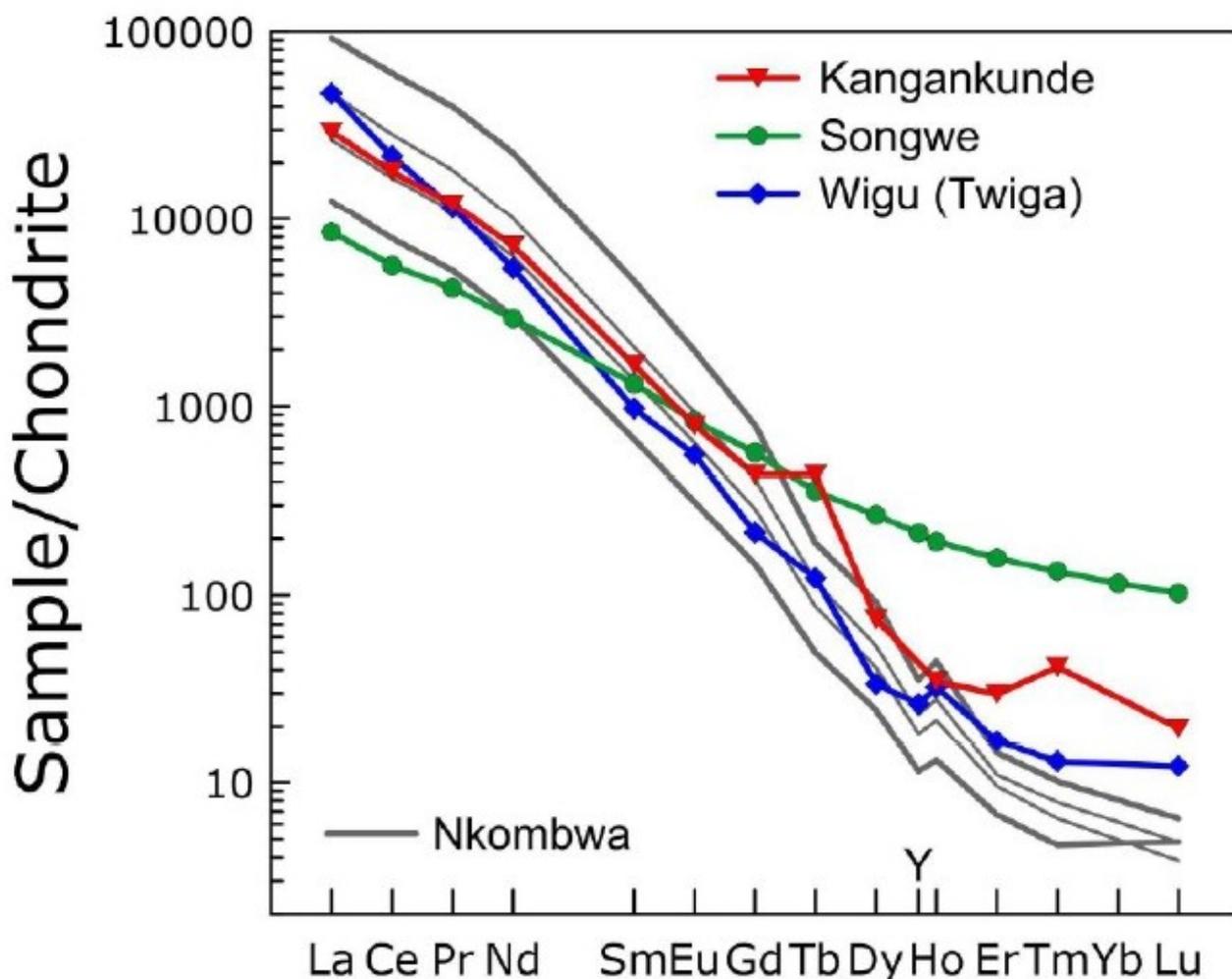


Figure 16: Chondrite normalised plots for 4 magmatic-hydrothermal carbonatite REE deposits in Africa. (Harmer and Nex, 2016).

2.2.2 Carbonatite Hosted Fluorite Deposits

The 2012 Qualitative Group CPR outlining the estimated Fluorite Resources, does not go into any detail with regard to the geology save to describe the general form of the orebodies based on modelling of the available borehole data.

Carbonatite melts generally have anomalously high contents of F, REE, Sr, P, U and other incompatible lithophile elements. One of the most common minerals in carbonatite-related REE deposits worldwide is fluorite (Redina *et al*, 2021). Fluorite mineralisation is however commonly associated with carbonatites and some of the largest fluorite mines are associated with such occurrences (Magotra *et al*, 2017). Economic fluorite deposits associated with carbonatite complexes are contact and late stage hydrothermal deposits. Dean and Powell (1968, cited in Magotra *et al*, 2017) suggested that deposition of fluorite in the carbonatites of Tororo, Uganda and Chilwa Island, Malawi in Africa were associated with late stage emanations from the carbonatitic magma.

Fluorite deposits associated with carbonatites are commonly enriched in LREE concentration relative to HREE concentration with a lack of negative Eu anomaly (Magotra *et al*, 2017).

3 Exploration and Drilling, Sampling Techniques and Data

This competent person's report (CPR) principally reports on the exploration results collected to date by Altona, both from their work and that obtained from previous workers – most notably Globe. Whilst Globe published a JORC compliant fluorite resource in 2012, the deposit/s are not contiguous with Altona's main targets and fluorite is not the principal target of Altona's exploration efforts. The fluorite mineral resource declared by Globe is recorded in the CPR as part of the record of work completed and mineral resources identified.

The focus of this report is on the targeted REE occurrences associated with the Monte Muambe carbonatite complex.

3.1. Globe Exploration Data

The 2012 Qualitative Group CPR and fluorite mineral resource statement prepared on behalf of Globe, only refers to data utilised for the modelling and estimation. In this instance the following is noted as supplied:

1. 97 reverse circulation (RC) boreholes for a total of 6,998 metres, with all but six holes in the resource area drilled vertically. The nominal drill spacing in the area of the modelled resource is 40m x 20m, out to 80m x 20m at most and down to 20m x 20m at best. Data was supplied in a Datamine format comprising collar, downhole survey, assay and lithology data.
2. The bulk of the sampling appears to be done on one metre intervals whilst some compositing of up to 4m intervals is also apparent. No mention is made of sample handling.
3. A Datamine string file representing a cross-sectional interpretation of the main >10% CaF₂ domains was provided.
4. A Surpac string file of the local topography, which was imported and converted into a data terrain model (DTM wireframe) of the topography.
5. Density utilised was defined by Globe for the mineral resource estimate: 2.6 t/m³ was applied to all background cells in the model and a density of 2.7 t/m³ was applied to cells in the mineralised domains.
6. QAQC whether done by Globe or not, was not assessed by Qualitative Group.

The Globe programme included the acquisition of Grupo Madal's 1998 airborne radiometric and magnetic data, the data was utilised both by Globe and subsequently Altona for initial target generation (Figure 17).

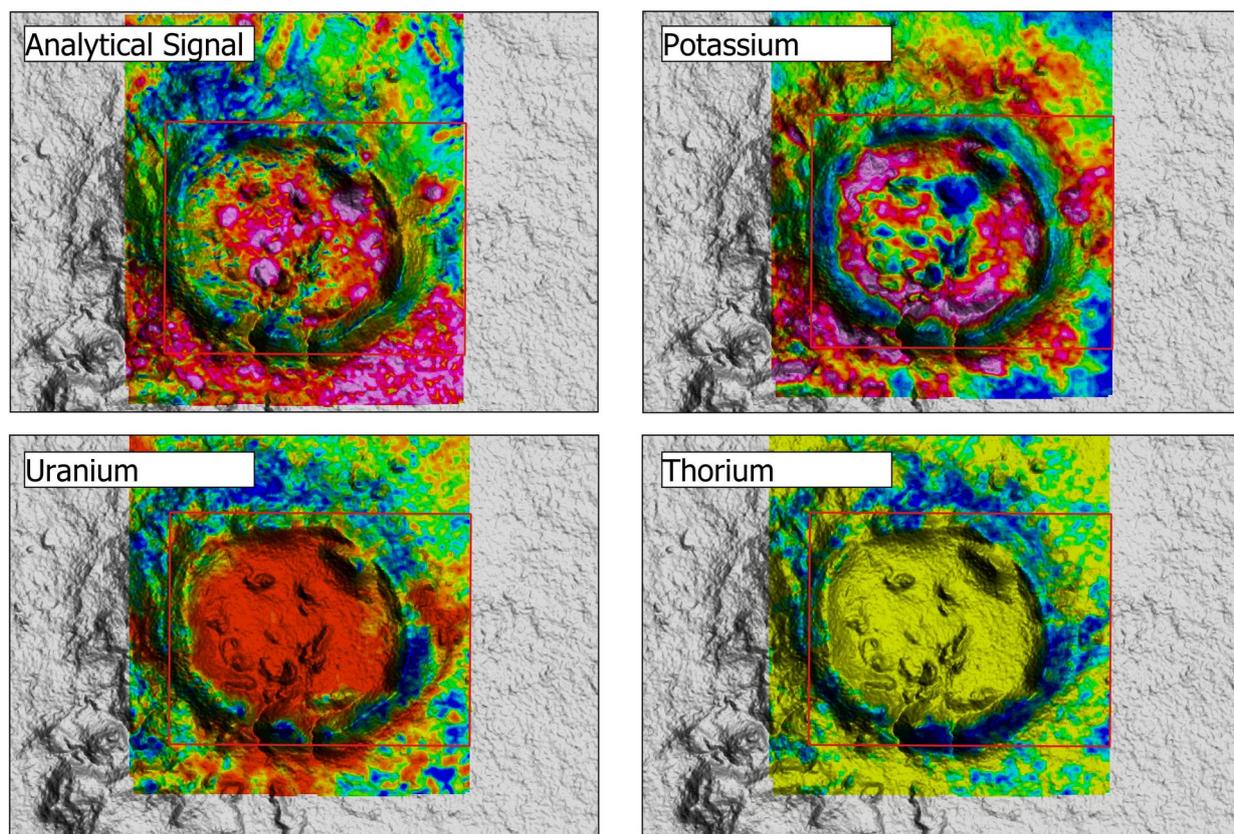


Figure 17: Airborne Geophysics over Monte Muambe Licence, draped over SRTM – Grupo Madal.

The Globe drilling data for the fluorite mineral resources reported does not lie in the same position as the Altona Targets. Globe did however drill 165 boreholes in total (an additional 68 boreholes and 5,589m of drilling not utilised in the fluorite resource estimation) and the data outside of the Globe Fluorite orebodies was utilised for purposes of deposit understanding, REE Target generation and REE Target testing by both Globe and Altona.

Field mapping is known to have been fairly comprehensively completed by Globe as evidenced from their geological map as seen in Figure 7.

3.2. Altona Exploration Data

3.2.1 Soil Sampling

Altona embarked on an extensive soil sampling campaign, gridding the entire crater “floor” with points spaced 100m by 100m, N-S and W-E. The 100m x 100m sampling programme although not yet complete over the entire crater floor, returned extremely encouraging results and on the basis of the positive results, areas with anomalous metalliferous grades were further gridded, filling in points to a final 50m x 50m grid over the highest grade areas (Figure 18). A total of 1684 soil sampling points was provided. The soil sampling programme

commenced after Altona’s positioning of initial holes based on radiometrics and historical holes alone. Subsequent to the soil sampling programme results becoming available, Altona was able to better define target areas for follow-up drilling and better position exploration boreholes.

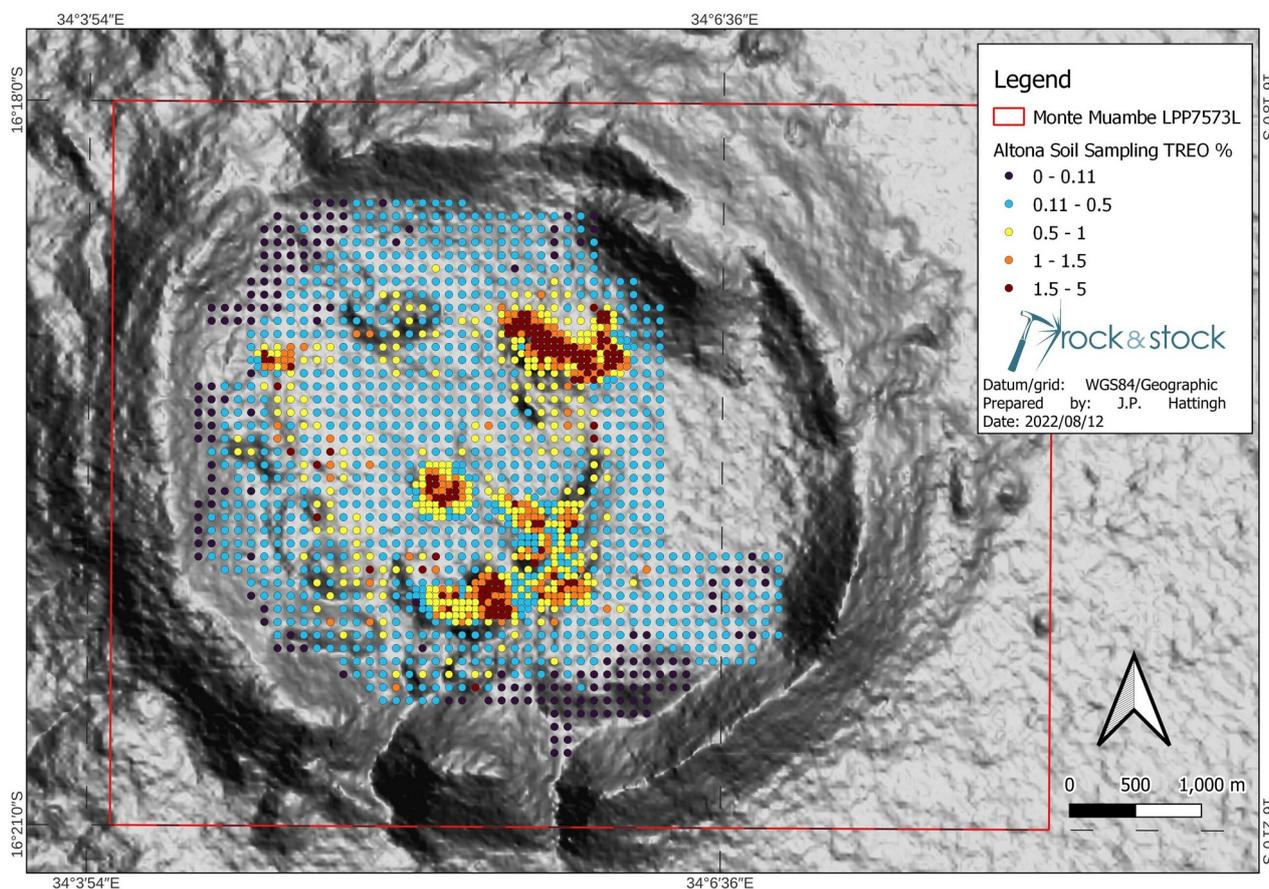


Figure 18: Altona Soil Sampling Grid and %TREO results overlain on SRTM.

The soil samples were tested on site using a portable XRF. The pXRF analyser is an Hitachi X-Met8000 equipped with a 50kv anode and specific programmes to enable the detection and quantification of Nd, Pr, La, Ce and Y, as well as of light elements relevant to carbonatites such as K, Mg and Si.

Soil sampling results provided by Altona from the pXRF were provided already converted from percentage elemental concentrations to percentage oxides and elements in ppm and encompass: TREO %, CeO_2 %, La_2O_3 %, Nd_2O_3 %, Pr_6O_{11} %, Y_2O_3 %, Nb_2O_5 %, Ba %, Sr %, Th in ppm and U in ppm. The TREO % is based on the sum of CeO_2 %, La_2O_3 %, Nd_2O_3 %, Pr_6O_{11} %, and Y_2O_3 %. In this respect the results of Pr_6O_{11} % obtained by pXRF have since been seen to be unreliable. The maximum value given for Pr_6O_{11} % is 0.077%. Accordingly although at times the TREO % reported for the soils may be slightly increased by an unreliable assay for Pr_6O_{11} %, it’s contribution to overall TREO % is largely negligible and immaterial with regard to

the soil sampling results which are an exploration tool and not utilised for quantifying mineral resources.

The soil sampling data can be utilised to generate various elemental grids and together with other data have been critically important for Altona in terms of defining targets for testing. The thin soils and low mobility of the REE appears to result in a very tight correlation between REE soil anomalies and high grades in boreholes drilled.

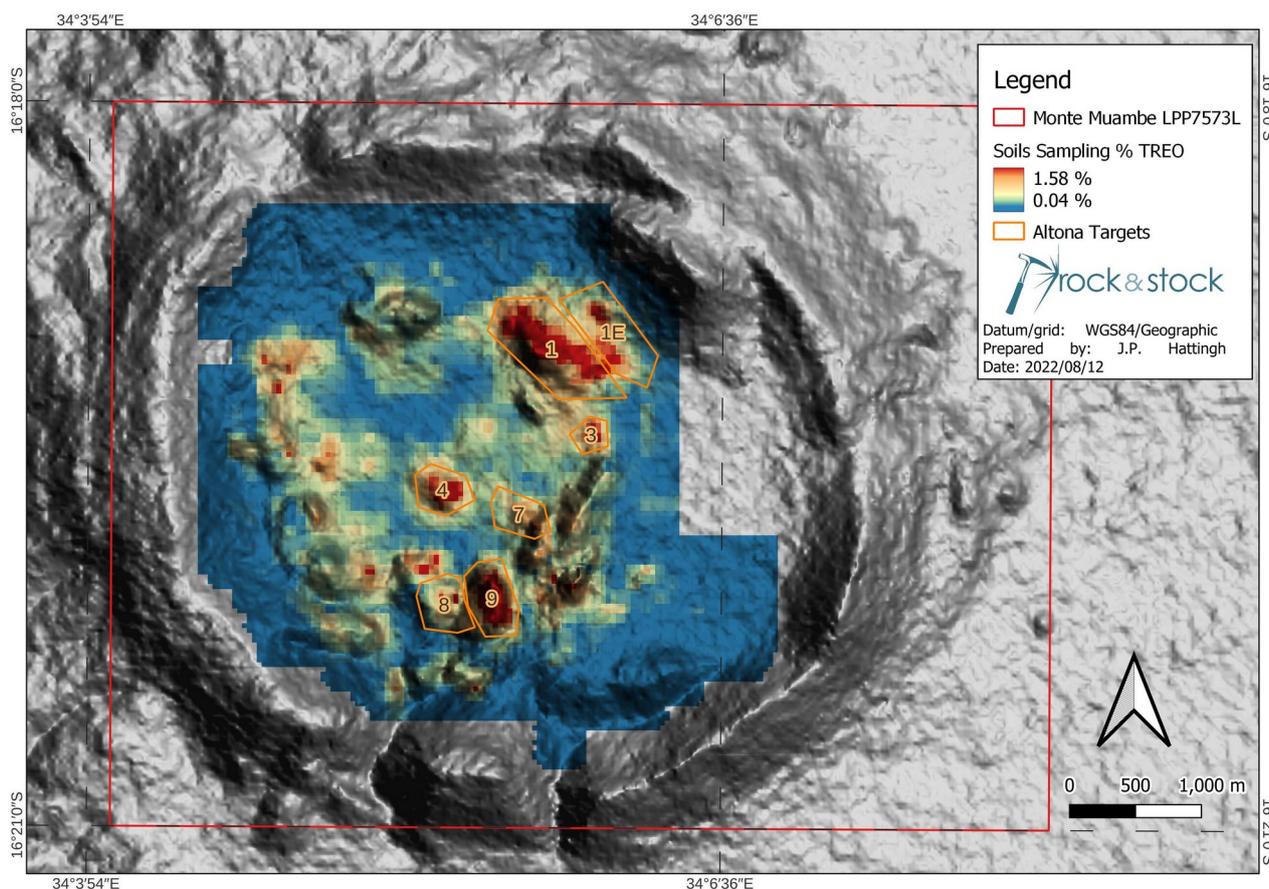


Figure 19: Gridded TREO% from Soil Sampling also indicating Altona's Target Zones.

3.2.2 Drilling

Altona embarked on 3 phases of drilling. Planned positions were given borehole numbers prefixed by MM or MRA, the planned numbers were applied to the drilled boreholes and gaps may exist in the sequence where a planned borehole is not yet drilled or was not drilled. The MM series of boreholes naming is applied to both diamond cored boreholes and reverse circulation drilled boreholes. The MRA prefixed boreholes were originally planned to be drilled by RAB drilling (rotary airblast drilling) but were in fact drilled by reverse circulation - all Altona boreholes drilled to date are therefore drilled either by diamond cored drilling or reverse circulation drilling.

1. Phase 1 Diamond Drilling: 5 diamond cored boreholes (MM001, MM007, MM035, MM039, and MM040) drilled in October and November of 2021 with depths below surface varying between 38.91m and 152.47m. Core diameters of PQ, HQ and NQ (nominally 85, 63.5 and 47.6mm respectively) were utilised (generally with decreasing core size down hole to aid with recoveries and hole stability) with all boreholes drilled vertically down except for MM007 drilled at 55° on an azimuth of 027°. MM035 was abandoned due to poor recovery and redrilled as MM040.
2. Phase 1 Reverse Circulation Drilling: also drilled in October and November 2021, comprised 36 boreholes drilled at -90° or -55° to planned depths of 70m below surface, with MM021 drilled to 90m and MM026 drilled to 42m respectively. The last and highest numbered borehole in this series is MM047.
3. Phase 2 Reverse Circulation Drilling: Commenced in May 2022 and was completed on 28 November 2022. It encompasses 26 MRA prefixed boreholes and 36 boreholes within the numbered series from MM048 to MM101 (including 2 boreholes abandoned due to cavities – MM092 and MM095). The MRA prefixed holes were planned to 25m depths and the MM prefixed RC holes planned to depths of 80m. The MRA holes were completed and incorporated within the borehole database as at the database cut-off date of 05 July 2022. Twenty-one of the 36 boreholes from the MM048-MM101 series were not completed or data not available as at 05 July 2022. As at 23 January 2023, outstanding assay data from the MM048-MM101 borehole series is in the process of being compiled for all boreholes and the exploration targets presented herein, do not incorporate data from those 21 boreholes. The 21 boreholes from Phase 2, MM048 to MM101 which were *not* utilised for purposes of reporting the Exploration Target are listed in Appendix D item 16.2.

3.2.3 Sample Collection, Preparation and Assay Methodology

Drilling, sampling and pXRF SOPs were examined by the CP and the process reviewed in person where possible or discussed with the appropriate responsible personnel. SOPs were found to be appropriate and in keeping with best practise. All logging, sampling and data capture was done using MS Office Excel spreadsheets. A brief, non-exhaustive summary follows:

3.2.3.1 Soil Samples

1. Positions were planned and loaded to GPS – actual position was recorded in field.
2. Approximately 3.5kg of soil sample was collected in field (not sieved). Bagged with an outer tag and aluminium inner tag in the bag.
3. At the core shed wet samples were allowed to dry out in plastic buckets and then samples crushed in original sample bags using a piece of wood where necessary. Only dry samples are used for pXRF analyses.
4. Samples were sieved to 500µm.

5. A sample for analysis was prepared using plastic caps/cups covered by a mylar film with the caps/cups filled to the limit lines using the -500µm material.
6. At the start of an analytical batch, a set of known in-house and commercially available standards/CRMs (certified reference materials) was analysed in order to track any issues with the measurement of the sample batch.
7. The sample batch was then analysed using a preset programme on the pXRF for assay time and elements etc.
8. A senior geologist or the project manager checks all digital results downloaded from the pXRF, as well as the pXRF technician/Operator checking the performance of the known standards per batch and on an ongoing basis.

3.2.3.2 Diamond Drilling and Sampling

1. Planned holes were uploaded to GPS and positioned in the field by GPS and compass (in terms of drilling azimuth and inclination. Actual positions were then recorded.
2. Drilled core was packed into 1m boxes including drilling depth and recovery marking blocks.
3. Core was delivered to the core yard at the field camp on the crater rim for further processing.
4. Completed boreholes were cased using PVC piping for later follow-up downhole survey and all holes were planned to have concrete marker blocks placed on the collar and casings, post site clearance.
5. Geological logging was done relative to the depth markers by use of a tape measure in the core yard. In addition to lithology, mineralisation, alteration and core recovery was also recorded.
6. All borehole core was photographed wet and dry for later reference.
7. Core was split longitudinally with a core saw and then samples collected on an approximately 1m basis with attention to lithological/unit contacts and drill run positions.
8. A blank, standard/CRM and duplicate was inserted approximately every 7th sample.
9. All samples remained in Altona's geological and technical personnel custody until they were collected at the core yard by transporter Bolloré Logistics, who undertook the export of the samples from Mozambique and import into South Africa and delivery to Intertek Genalysis' laboratory in South Africa.

3.2.3.3 Reverse Circulation (RC) Drilling and Sampling

1. Planned holes were uploaded to GPS and positioned in the field by GPS and compass (in terms of drilling azimuth and inclination. Actual positions were then recorded.
2. Samples were collected on a 1m basis and weighed. Weighing, and hole volume on the basis of drill bit diameter, was used for the purposes of establishing RC drilling recovery.

3. A small sub-sample is collected and sieved for placement in a chip tray. This is utilised for purposes of geologically logging the borehole.
4. Wet samples were not split immediately but were sent for drying first before splitting.
5. Completed boreholes were cased using PVC piping for later follow-up downhole survey and all holes were planned to have concrete marker blocks placed on the collar and casings, post site clearance.
6. RC sample bulks were then quarter split using a riffle splitter to collect approximately 3kg per interval.
7. In every batch of 30 samples: one blank, one standard/CRM and one duplicate is collected/added.
8. Samples are tagged using pre-prepared tags.
9. All samples are analysed by pXRF.
10. A sub-sample is sieved to 500µm.
11. A sample for analysis was prepared using plastic caps/cups covered by a mylar film with the caps/cups filled to the limit lines from the RC material collected.
12. At the start of an analytical batch, a set of known in-house and commercially available standards/CRMs (certified reference materials) was analysed in order to track any issues with the measurement of the sample batch.
13. The sample batch was then analysed using a preset programme on the pXRF for assay time and elements etc.
14. Mineralised intersections are then selected by the senior geologist/project manager for submission to laboratory.
15. All samples remained in Altona’s geological and technical personnel custody until they were collected at the core yard by transporter Bolloré Logistics, who undertook the export of the samples from Mozambique and import into South Africa and delivery to Intertek Genalysis’ laboratory in South Africa.

Assay at Intertek Genalysis was via a number of methods for REE, oxides and elements of interest utilising Intertek Genalysis methods: FB6/OE, FB6/MS, and FC7/SIE. Analyses was not only for purposes of mineralisation identification and quantification but was also used to modify geological and lithological logging. Total suite of analyses included:

Al ₂ O ₃	Ba	Ba	Ca	CaO	Ce	Ce	Cr	Cr	Cs
Dy	Er	Eu	F	Fe	Fe ₂ O ₃	Ga	Gd	Hf	Ho
K ₂ O	La	La	Lu	Mg	MgO	MnO	Na ₂ O	Nb	Nd
P ₂ O ₅	Pr	Rb	S	Sc	SiO ₂	Sm	Sn	Sr	Ta
Tb	Th	TiO ₂	Tm	U	V	W	Y	Yb	Zr

QAQC reporting by Altona was not available at the time of writing and it has been assumed that all assay results Altona provided in terms of this report, have originated from batches

where the QAQC process has indicated that the analytical results are suitable for use in terms of modelling and estimation.

Complete assay data from Altona’s 2022 drilling is outstanding at the draft date of this CPR.

3.2.4 pXRF Analytical Validation

Whilst Altona’s comparisons between their pXRF results and Intertek laboratory assay results for Phase 1 confirmed the reliability of Altona’s pXRF results (slight underestimation, R2 = 0.95) (*pers comm* C. Simonet, June 2022)(Figure 20), there existed a query to the precision/repeatability of the method.

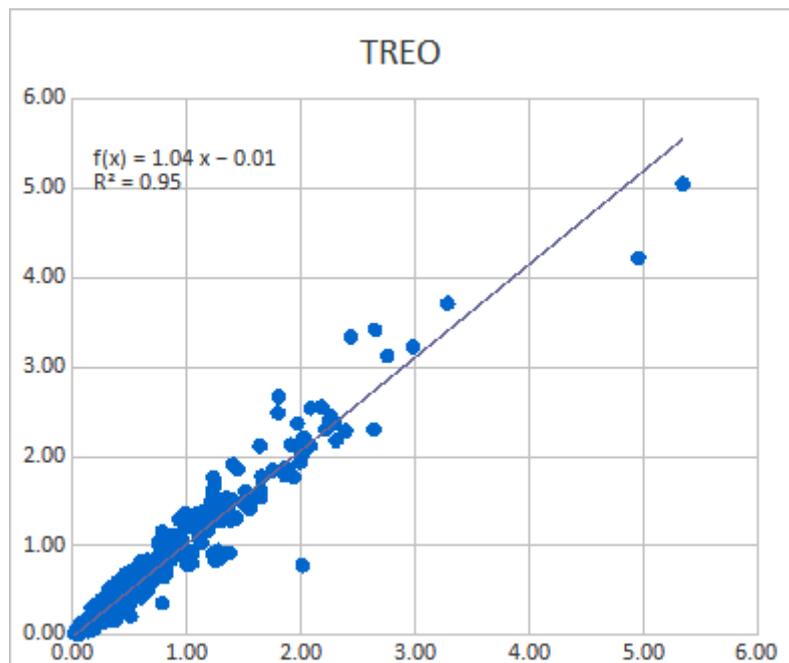


Figure 20: Lab vs pXRF comparison based on 839 sample pairs from Altona Phase 1 Drilling.

To this end a test was done whilst on site in June 2022. 11 Mineralised samples were selected and 5 sub-samples of each created and then assayed over a two-day period for two sets of 55 sample couples. Generally precision is good for both La and Ce with results showing R² values of above 0.9 for both La and Ce and 0.80 for Nd. There was only a single sample failure from the above sets of pairs and the method has been deemed acceptable for purposes of field soil sampling for target generation and for initial exploration estimates of mineralisation. The failure likely stems from the fact that the RC samples are not further milled/pulverised and hence a coarse, nuggety RC sample may well generate different results from multiple splits. Further pulverisation of the RC samples could increase the precision of the results.

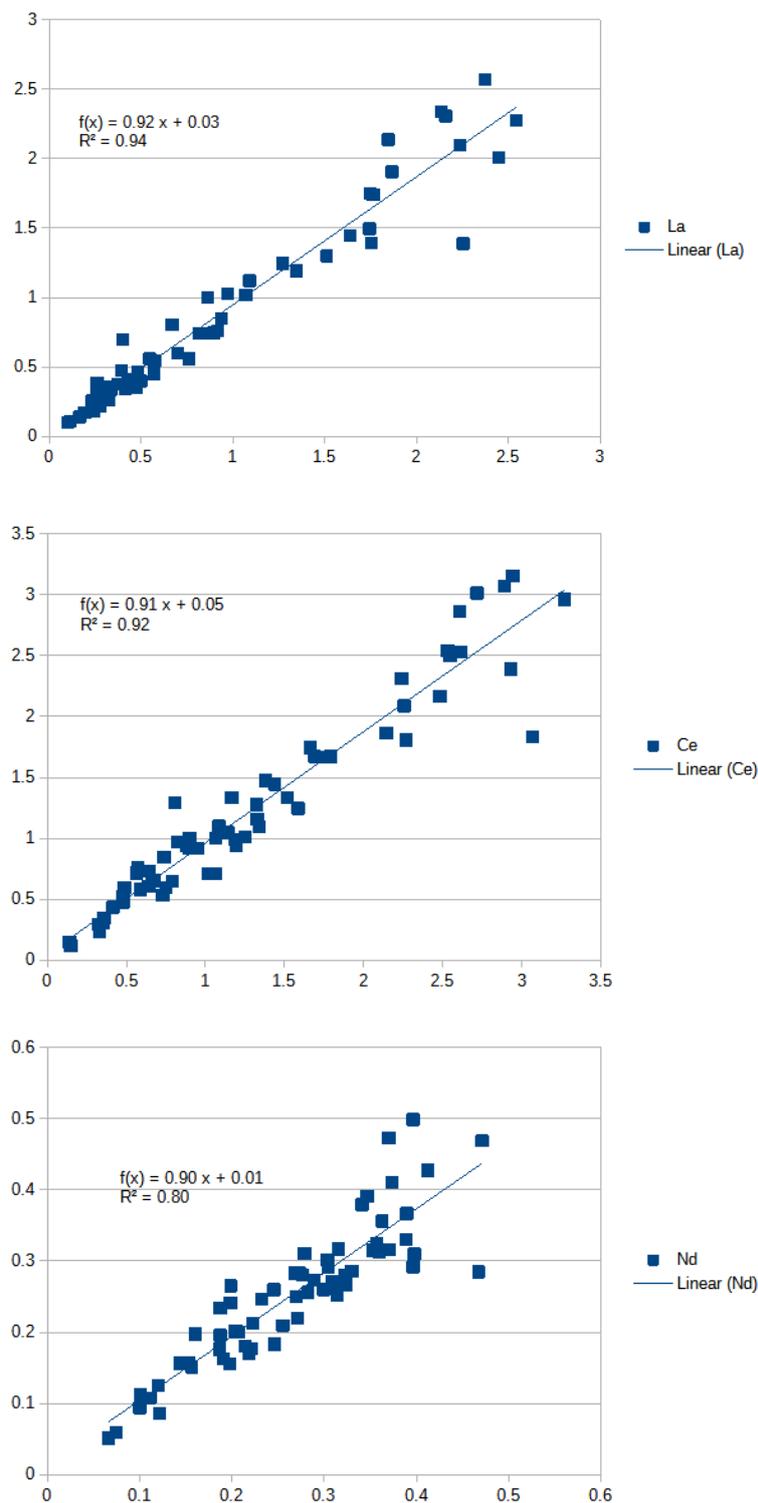


Figure 21: pXRF La, Ce and Nd. 55 sample pair repeats over 2 days.

3.3. Historical Sampling & Verification

3.3.1 Field Observations

A field visit was undertaken over the greater crater area, visiting representative lithologies and the historical fluorite resource area, boreholes drilled before Altona and Altona's boreholes, as well as a number of Altona's Target areas, including Targets 1, 4, 7 and 9 (see field track in Figure 8 and Figure 12). Historical borehole collars were typically well marked with a concrete block with the borehole name/number marked on it and a plastic or steel casing protruding from it. Some of the recent borehole collars for holes recently drilled by Altona were as yet unmarked (Figure 22) at the time of the field visit.



MM058 – Altona RC June 2022



MM021 – Altona RC Nov 2021



MURC028 – Globe RC June 2011



MM039 – Altona DD Nov 2021

Figure 22: Site visit June 2022 – Borehole Collar Observations.

3.3.2 Core Yard Inspection

The core yard was visited both to check on the already drilled diamond cored borehole logging and sampling, and the general storage and handling of the RC sample splitting. None of the historical Globe drilling samples were available for viewing.

3.3.2.1 Diamond Drilled Borehole Core & Sampling

Boreholes MM001, MM007 and MM040 were unpacked and checked against the borehole geological logs and sample logs. In general the core logging was of an adequate standard though it would be preferable to mark metre marks on the core from top to bottom of the borehole as it results in a more accurate borehole log and better recording of any losses (rather than utilising a tape measure to log between drill run marker blocks). In addition metre marks left on the core provide a valuable method of reconciling boreholes and logging especially when the core forms part of the historical record.

Recognition of lithological units was greatly improved by the implementation by Altona of a lithological determination based on geochemistry. It is important to note that purely visually, the differentiation of lithological units and recognition of mineralised zones is extremely difficult. It is apparent that the REE mineralisation within the carbonatite zones and across lithological boundaries within the carbonatite is not visually obvious – one cannot easily rely on visual interpretation of the core to determine lithological nomenclature or mineralisation zones and a geochemical approach to logging and mineralisation identification is seen as vital.

Sample intervals could be better marked on the core, primarily for purposes of future reconciliation and verification.

Storage of the core and samples was adequate.

3.3.2.2 RC Samples and Splitting

Geological staff were busy completing processing of RC samples from the June 2022 drilling by Altona as well as splitting old bulk samples to generate new 1m samples for some historical boreholes. A brief check was done on the general operation. Bulk samples were in the process of being dried and split.



Figure 23: Riffle Splitting of RC samples in Progress by Altona Staff.

Riffle splitting was being done using a Geo-Explore Store 3-Tier Riffle Splitter which on a single pass should generate a 12.5% to 87.5% split by volume. Procedure was generally to standard though some additional attention to cleanliness of the riffle splitter could be applied. The splitter design was also such that the exit chute had an angle of <45 degrees which promoted the build up of sample in the splitter if staff were not careful with regards to cleaning it after every split. It was also highlighted to the Altona staff that positioning of the riffle splitting relative to other samples (especially samples out in the open drying) should be such that there can be no wind blown contamination from the riffle splitting process.

Storage and marking of the RC samples was adequate.

4 Estimation and Reporting of Exploration Results and Mineral Resources

An inferred mineral resource was defined in accordance with JORC (2004)(Journeaux, 2012) for the fluorite orebodies in the west of the Monte Muambe crater. In this report it is deemed appropriate to provide an estimation of an Exploration Target for the REE mineralisation thus far encountered by Altona where there is sufficient drilling and other information to provide a sense of the type, form and extent of possible orebodies.

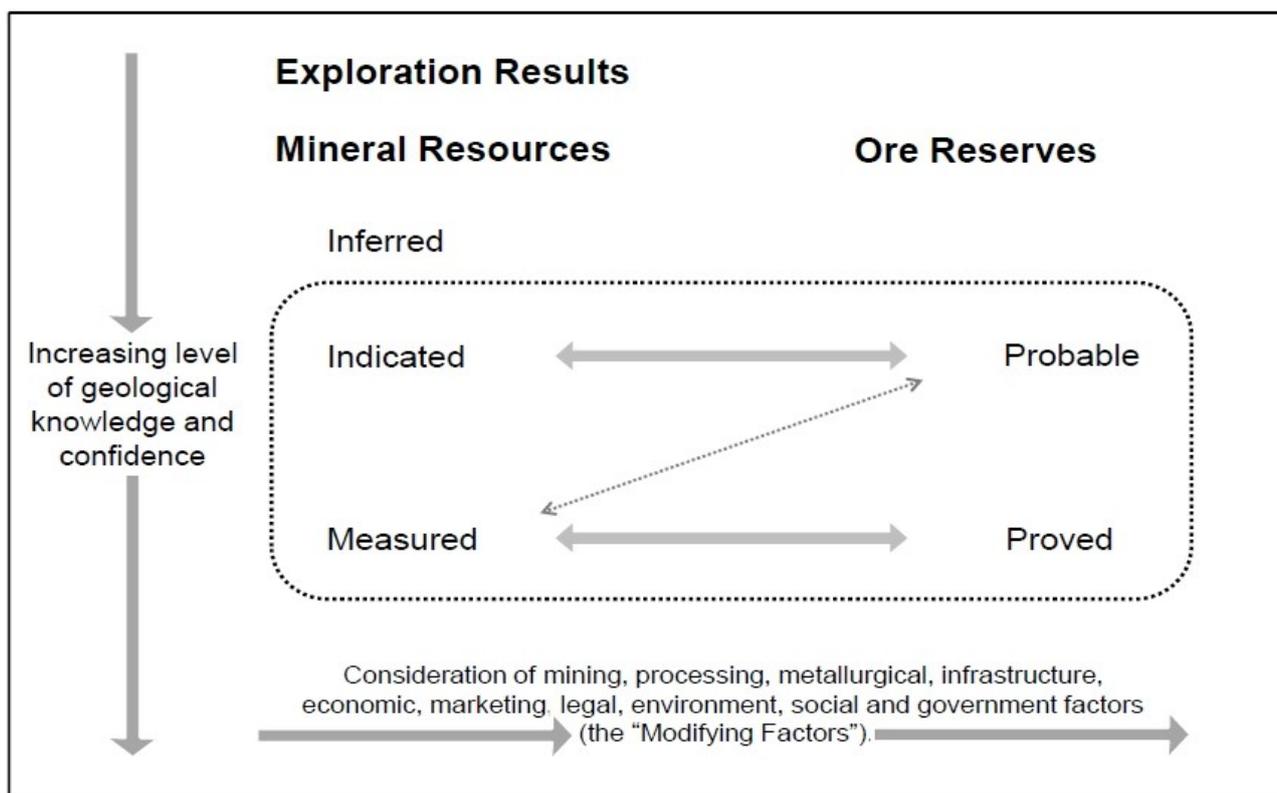


Figure 24: The relationship between Exploration Results, Mineral Resources and Ore Reserves (JORC, 2012).

The reader’s attention is drawn to Figure 24 which shows how increasing geological knowledge and confidence result in an increase in reporting category. As per JORC (2012): “An Exploration Target is a statement or estimate of the exploration potential of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and a range of grade (or quality), relates to mineralisation for which there has been insufficient exploration to estimate a Mineral Resource”.

At the time of writing of this CPR (at a database closure/cut-off date of 05 July 2022), a significant amount of drilling has been completed on Altona’s Target 1 and Target 4, which is of sufficient quality and detail to allow for the estimation of an Exploration Target. The exploration target reported here is restricted to those two targets and does not include any mineralised intersection outside of those two target areas. An exploration target is reported

here rather than a mineral resource, as there is currently insufficient drilling to adequately delineate the orebodies at Target 1 and Target 4. Additionally, the on-site sample preparation and use of the pXRF analytical method for analysing %REO in borehole samples, is not deemed robust enough to provide sufficient confidence in the assay results for purposes of reporting a mineral resource.

4.1. Globe Fluorite Mineral Resources

The Qualitative Group prepared the JORC compliant mineral resource estimate and report for the fluorite deposit/s and declared an inferred fluorite resource of:

Classification	Mt Muambe Estimate		
	Tonnes (Kt)	Grade (%)	Product (Kt)
Inferred Mineral Resource	1,630	19	310

The Globe Inferred Fluorite Resource reported *DOES NOT* overlap Altona’s Target 1 and Target 4 REE exploration targets which are the main subject of this report.

4.2. Altona Monte Muambe REE Exploration Target

The Exploration Target Estimation for Monte Muambe involved processes of:

- Data preparation,
- Validation,
- Geological (stratigraphical) and Target Zone domain modelling including grade shell domaining using a 0.5% and 1.0% cut-off for TREO (La₂O₃+CeO₂+Nd₂O₃+Y₂O₃),
- Naïve statistical analysis,
- Compositing,
- The estimation of assay data into a block model using Ordinary Kriging (OK) and/or Inverse distance to power of 3 (ID³) methodology,
- Deposit classification in terms of JORC (2012), and
- The production of an Exploration Target Estimate statement.

Altona has identified a number of REE targets on the Monte Muambe Project. Anomalous mineralisation has been intersected in boreholes in several of the target areas. Exploration on the project is still in progress and at the time of reporting, Targets 1 and 4 have sufficient information to make a reasonable assessment of form and mineralisation and are therefore the focus of this report.

Each target has two exploration estimation models, one at 0.5% TREO cut-off and one at 1.0% TREO cut-off. Each of the 4 Exploration estimation models, contain two separate mineralized domains in each model into which grades were estimated. These two domains are inside the

TREO cut-off grade shell and outside this grade shell as hard boundaries. The exploration database utilised was as at the close of business on 05 July 2022.

4.2.1 Borehole Data

The geological database is as at 05 July 2022. Borehole data was supplied for 246 boreholes (Figure 25 and 16 Appendix D) with the records per table being:

- Collar information (239)
- Downhole surveys (23)
- Lithology logs (239)
- Assay logs (211)
- Density (only from Diamond drilling)

For Target 1: 71 of these holes were used for the model (Figure 26).

For Target 4: 25 of these holes were used for the model (Figure 27).

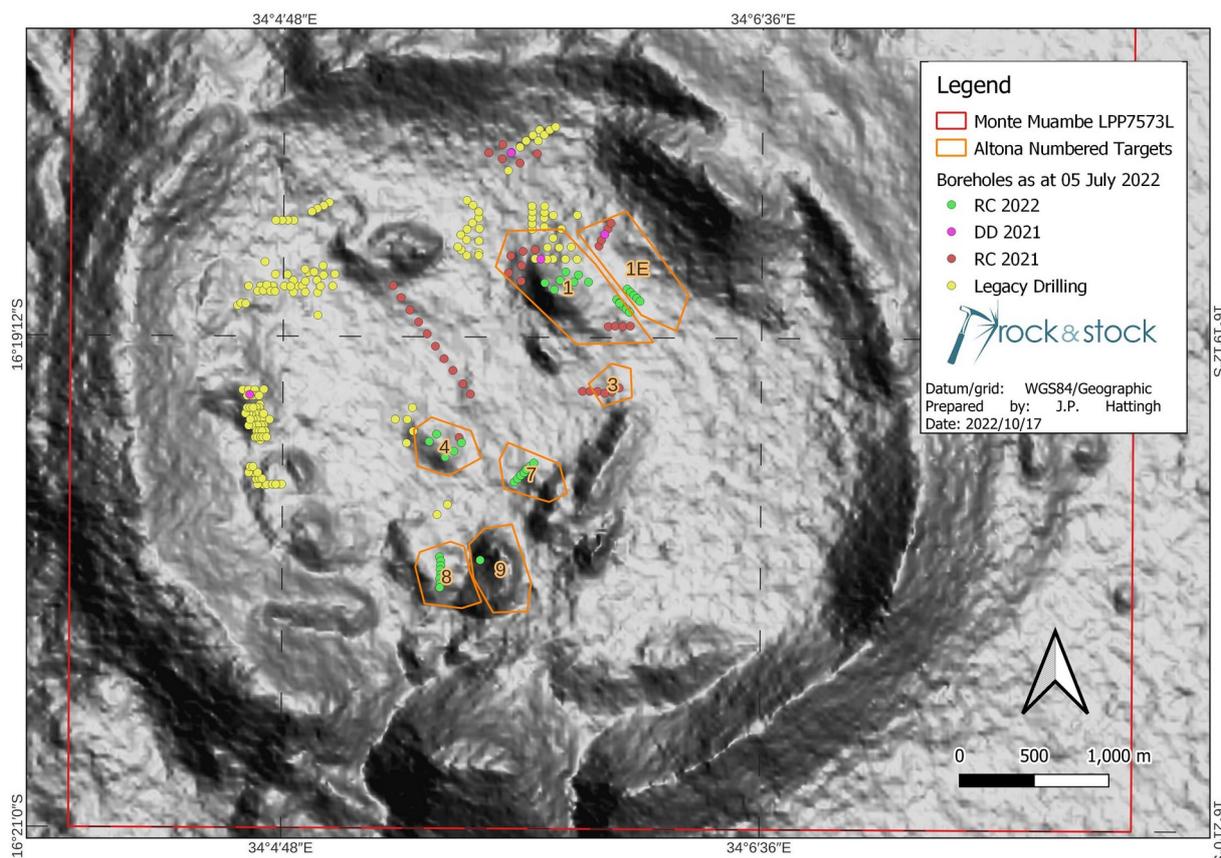


Figure 25: Borehole locations and drilling type by year as at 05 July 2022.

LEGACY		DDRILL	2021	RC2021		RC2022		RAB	2022
LITHO1	COUNT	LITHO	COUNT	LITHO	COUNT	LITHO	COUNT	LIT_1	COUNT
	4	BSL	15		1		1	CCA	580
Agglomerate	687	CAV	2	BSL	30	CAV	1		
Basalt	69	CBR	114	CAV	14	CCA	58		
Carbonatite Undiff	7148	CCA	361	CBR	44	CMG	24		
Cavity	279	CFE	33	CCA	485	FEN	65		
Dolomitic Carbonatite	169	CPY	109	CFE	89	MCA	70		
Fenite	4179	FBR	43	CPY	14	MMG	16		
No Chip / Core Recovery	8	FEN	133	CTP	2				
Sandstone	40	MUD	6	FBR	6				
Soil	1	MUG	1	FEN	44				
		OPY	49	FSY	21				
		RGO	22	OPY	20				
		RHO	3	RGO	2				
		RHY	9	RHY	4				
		SOL	3	SOL	24				
		SST	1	SST	1				
		UO2	1						

Table 3: Lithology logs litho field classification for all drilled data. The tables are the litho coding used per period drilled.

4.2.2 Lithologies

LITHO	Description
CPY	Carbonatite pyroclastics
CMG	Mg Carbonatite
CCA	Carbonatite
CFE	Fe Carbonatite
CBR	Carbonatite Breccia
FEN	Fenite
FBR	Fenite Breccia
BSL	Basalt
RHY	Rhyolite
FSY	KF Syenite
NSY	Nepheline Syenite
CAV	Cavity
NOR	No Chip / Core Recovery
SST	Sandstone or Arkose
CRG	Consolidated Regolith
RGO	Regolith
SOL	Soil

Table 4: Lithology codes and description as listed in standard operating procedure.

4.2.3 Assays

Drilling, sampling, and assay was carried out on the project over a number of years starting in 2011/2012 with the work completed by Globe. Altona commenced drilling, sampling and assay on the project in 2021.

The Altona samples pre-December 2021 where all assayed by an accredited method at a certified laboratory. Following the acquisition of a portable X-Ray Fluorescence analyser (pXRF), Altona has been able to better delineate mineralised zones within boreholes for cost effective laboratory assay of zones of interest. The assay in this report for all samples post-December 2021, are by pXRF.

A comparison was done on 839 samples from 36 boreholes (Table 5) between laboratory assayed results and pXRF assay results for La₂O₃%, CeO₂%,Nd₂O₃% and Y₂O₃%, TREO%, Nb₂O₅%, Th in ppm and U in ppm.

BHD	SAMPLES	BHD	SAMPLES
MM002	24	MM027	24
MM003	23	MM028	23
MM004	24	MM029	24
MM005	24	MM030	23
MM006	24	MM031	24
MM008	24	MM032	23
MM009	23	MM033	22
MM011	24	MM034	23
MM012	22	MM036	24
MM013	24	MM037	23
MM014	23	MM038	23
MM015	23	MM041	23
MM016	23	MM042	23
MM017	23	MM043	23
MM019	23	MM044	24
MM021	33	MM045	23
MM025	23	MM046	23
MM026	13	MM047	24
			839

Table 5: Boreholes and numbers of samples used for Laboratory - pXRF comparison.

The results were compared by QQ plots and linear scatter plots.

The QQ plot is a plot of the quantiles of the first data set against the quantiles of the second data set, where a quantile is defined as the fraction (or percent) of points below the given value.

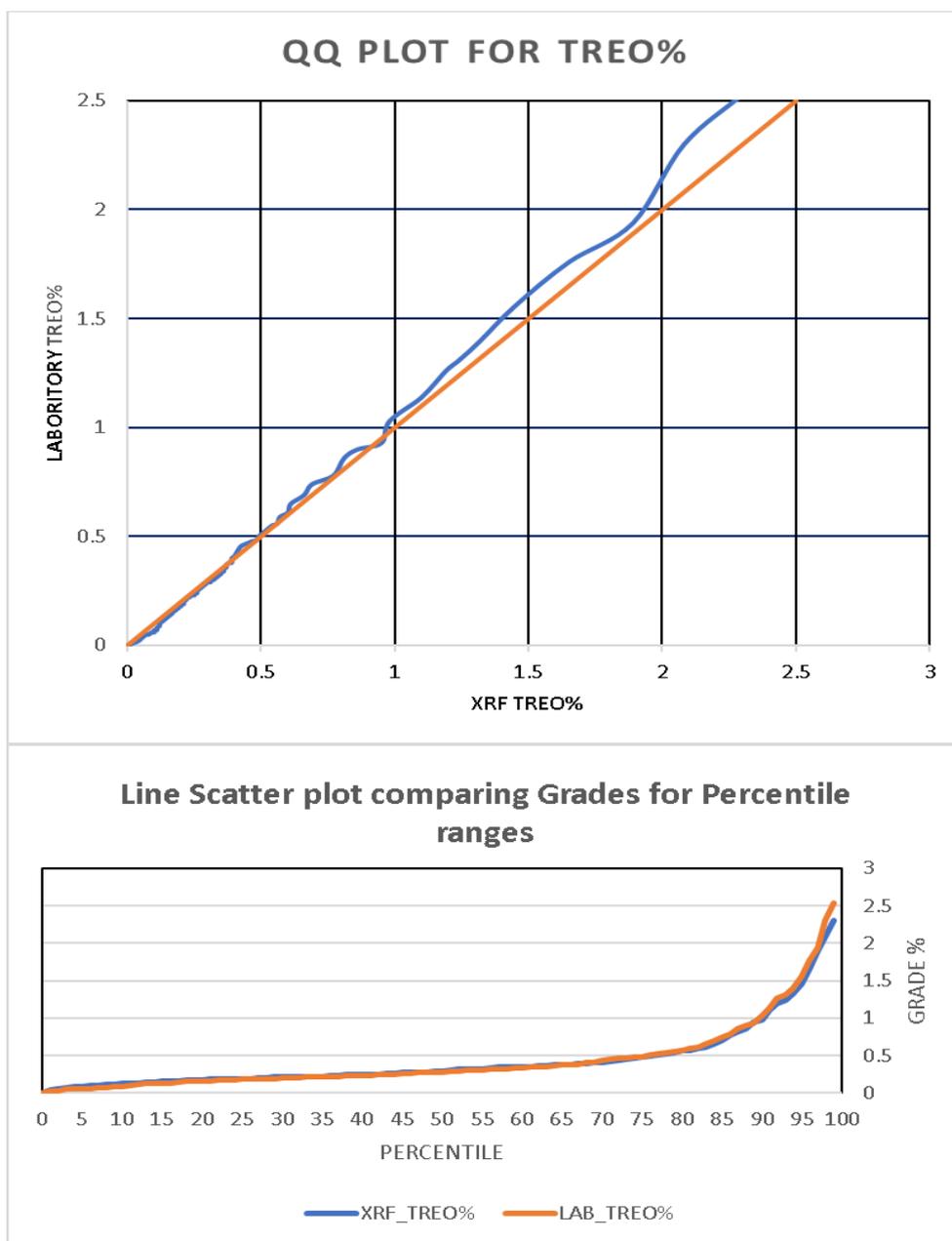


Figure 28: QQ and Line Scatter plots for calculated sum TREO%.

The plots for TREO% (Figure 28) show a good correlation between the calculated sum of the four REE oxides assayed by both methods, with pXRF generally under-evaluating above 1% TREO. Appendix B contains the other graphs per REE oxides, niobium, thorium and uranium.

4.2.4 Compositing and Capping Strategy

Mean and coefficient of variation plot analysis was conducted on the raw data to determine the optimal compositing length and to determine capping of outlier low values as well as high values. The capping was done for the variography only at this stage, to reduce data noise to attempt to improve variogram models. Inflection points in the mean and coefficient of

variation plots show where the best cap on data would be so as not to have a significant effect on the mean of the data set (an example is provided in Figure 29). This method was applied to all modelled elements as well as uranium and thorium.

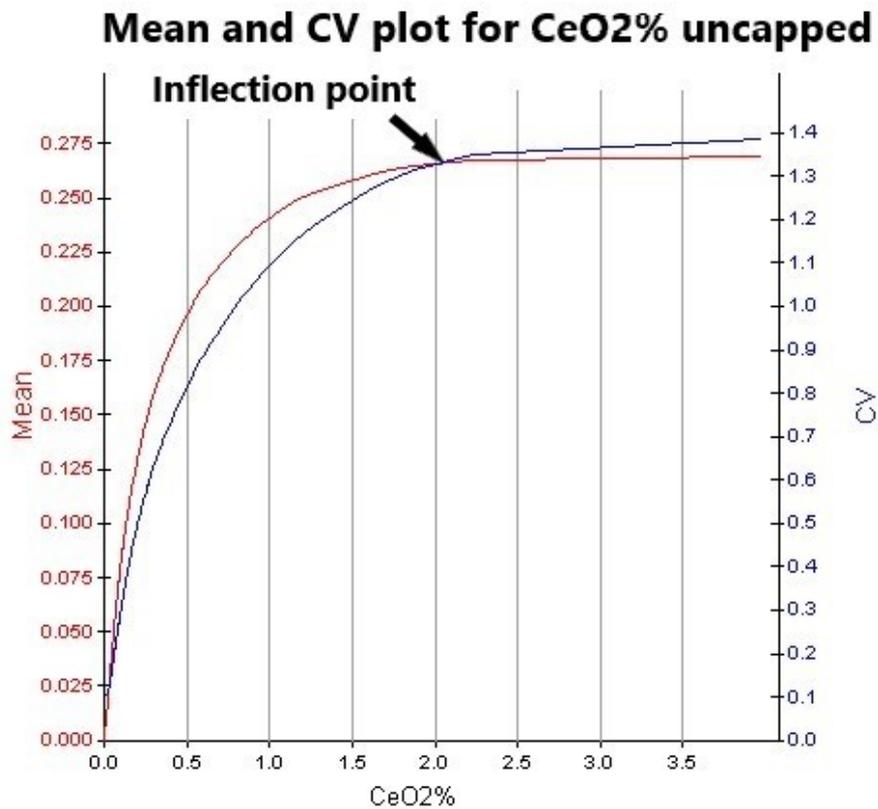


Figure 29: Example of Mean and Coefficient of Variation plot for CeO₂.

	POINTS	MEAN	CAPPED MEAN	LOWER CAP	NO POINTS BELOW	UPPER CAP	NO POINTS ABOVE
CeO ₂ %	5718	0.269	0.275	0.02	171	2.2	31
La ₂ O ₃ %	5572	0.198	0.205	0.02	317	1.6	47
Nd ₂ O ₃	5801	0.099	0.1	0.0075	88	0.5	28
Y ₂ O ₃ %	5590	0.038	0.039	0.01	299	0.12	71
Th_ppm	5827	178.936	179.606	0.1	62	1000	25
U_ppm	5889	17.895	17.728	0.2	305	100	44
Nb ₂ O ₅	5889	0.103	0.101	0.01	279	0.75	38

Table 6: Capping statistics used on data while variogram modelling.

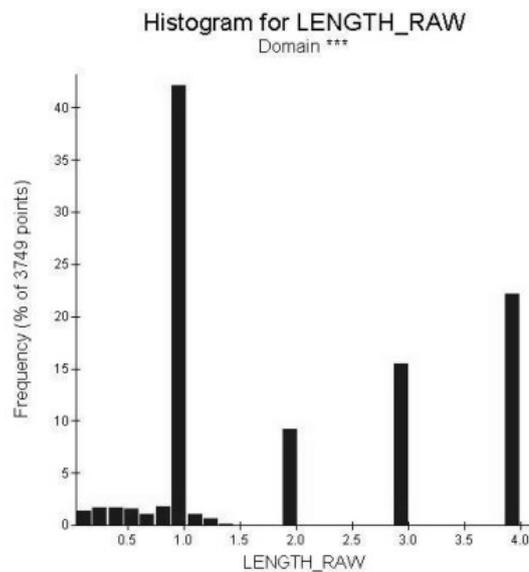


Figure 30 Histogram of raw sample lengths for Target 1 And Target 4.

There are four large populations of raw sample lengths being: 1m, 4m, 3m and 2m, with a mean of 1.813m. The exploration drilling on the project will predominantly collect 1m samples, and as the bin with the highest number is 1 metre, it was decided to composite the drill hole desurveyed file to 1 metre intervals.

4.2.5 Density

To build a geological model it was necessary to successively group lithologies together once it could be seen what the dominant lithology (GLITHO) was. The aim was to get the boreholes in a litho-stratigraphic sequence of Soil, Fenite and then Carbonatite.

An average weighted by the number of density records per GLITHO unit was used for the model (Table 7). This was assigned to the model by wireframe volumes of each GLITHO.

LITHO	RECORDS	MIN	MAX	MEAN	GROUPED LITHO	MEAN
SOL	1	1.65	1.65	1.65	SOIL	1.65
BSL	5	2.45	2.59	2.53	CARBONATITE	2.52
CBR	50	1.95	3.4	2.42	CARBONATITE	
CCA	219	1.56	4.74	2.59	CARBONATITE	
CPE	15	2.37	3.1	2.80	CARBONATITE	
CPY	55	2.2	3.14	2.42	CARBONATITE	
OPY	23	1.9	2.53	2.25	CARBONATITE	
RHY	3	2.36	2.43	2.40	CARBONATITE	
FBR	15	1.86	2.75	2.29	FENITE	2.08
FEN	47	1.43	2.68	2.01	FENITE	

Table 7: Weighted density by number of density samples for each GROUPED LITHO unit modelled.

4.2.6 Variography Study

Experimental variograms were calculated and modelled for Target 1 (Table 8). The results were of fair to poor quality due to drilling data spacing. Insufficient data for Target 4 meant variography could not be used for Kriging estimation, so only inverse distance to the power of 3 was used for this target. Ordinary Kriged estimates as well as inverse distance were estimated for Target 1.

VARNUM	ANGLE1	ANGLE2	ANGLE3	AMS1_Z	AMS_X	AMS3_Y	NUGGET	S1	SIPAR1	SIPAR2	SIPAR3	STIPAR4	S2	S2PAR1	S2PAR2	S2PAR3
1	80	0	0	3	1	2	0.06	1	97.5	97.5	10	0.47	1	196	175	90
2	80	0	0	3	1	2	0.2	1	26.5	80	3.5	0.26	1	187.5	136	27.5
3	80	0	0	3	1	2	0.17	1	96	124.5	29	0.46	1	188	136	102.5
4	80	0	0	3	1	2	0.24	1	69	80	23	0.39	1	200.5	134.5	52.5
5	80	0	0	3	1	2	0.24	1	9.5	9.5	66.5	0.2	1	126	101	109
6	80	0	0	3	1	2	0.15	1	32.5	58	13.5	0.39	1	149.5	140.5	118
7	80	0	0	3	1	2	0.22	1	23	47.5	23	0.2	1	137	74	74

Table 8: Target 1 Variogram model parameters calculated.

4.2.7 Model Definition

4.2.7.1 Grade Shell Definition

Two grade shells were constructed for both Target 1 and Target 4, the first at 0.5% TREO and the second at 1.0% TREO.

A boundary was selected around the data needed for each target separately. The topographic surface was used to trim the shells.

TREO% was selected for grade shell definition and the holes were composited to 1 metre with any residuals of 0.2 metres and less being distributed equally to each composite. A trend plane striking 335° with a vertical dip was utilised. This strike is close to the strike trend of REE soil anomalies and fluorite veins on the property.

Output volumes were set to enclose higher values of a range starting at 0.4% TREO in increments of 0.1 up to 1% TREO and thereafter in steps of 0.5% TREO up to 2.5% TREO.

For the modelling exercise, only 0.5% TREO and 1.0% TREO were used to domain the block model.

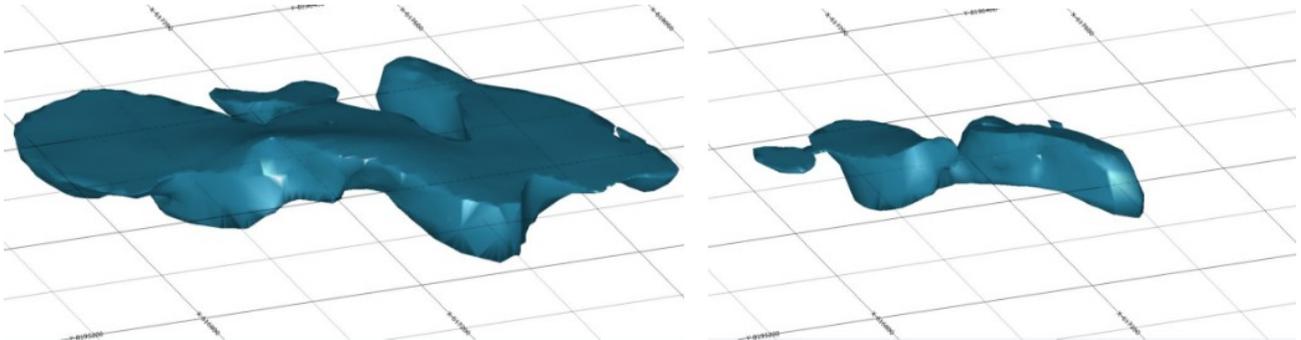


Figure 31: Target 1: Relative size of Grade Shells at 0.5% TREO and 1.0% TREO.

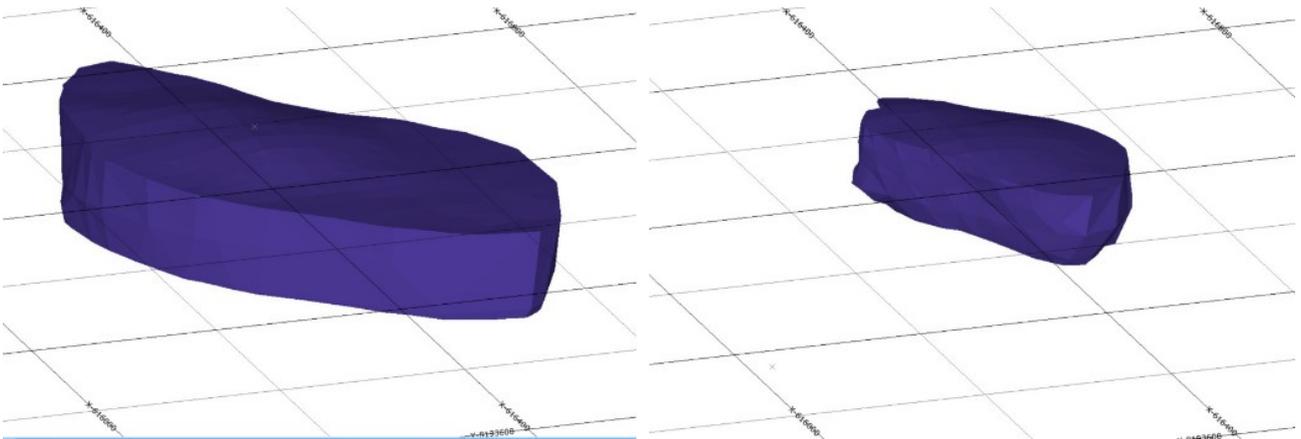


Figure 32: Target 4: Relative size of Grade Shells at 0.5% TREO and 1.0% TREO.

4.2.7.2 Block Model Definition

Two block models were created one for Target 1 and the other for Target 4 (Table 9 and Table 10).

The parent block sizes were set up as: 10 metres in X, 10 metres in Y and 5 metres in Z. No sub-blocking was done on these models.

Domain	Block Size			Origin	Number of cells	Rotation Angles	Rotation Axis
	Axis	Parent	Sub cell				
All	X	10	n/a	616521	138	0	3
	Y	10	n/a	8195360	92	0	1
	Z	5	n/a	410	48	0	2

Table 9: Monte Muambe Target 1 Block model specifications. Final model base trimmed to topography minus 100m.

Domain	Block Size			Origin	Number of cells	Rotation Angles	Rotation Axis
	Axis	Parent	Sub cell6				
All	X	10	n/a	616190	45	0	3
	Y	10	n/a	8194460	36	0	1
	Z	5	n/a	420	30	0	2

Table 10: Monte Muambe Target 4 Block model specifications.

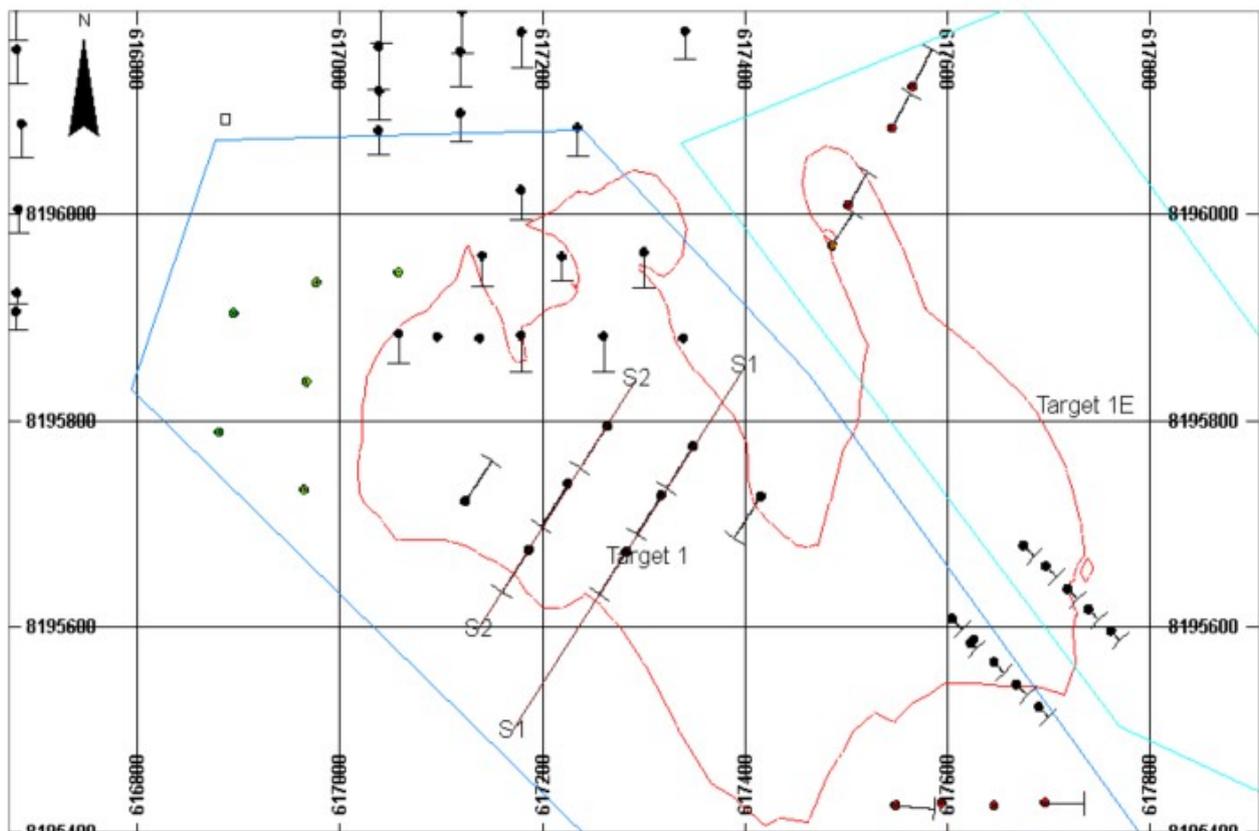


Figure 33: Target 1 and 1E plan and section line positions. Red outline is 0.5% Grade Shell extent.

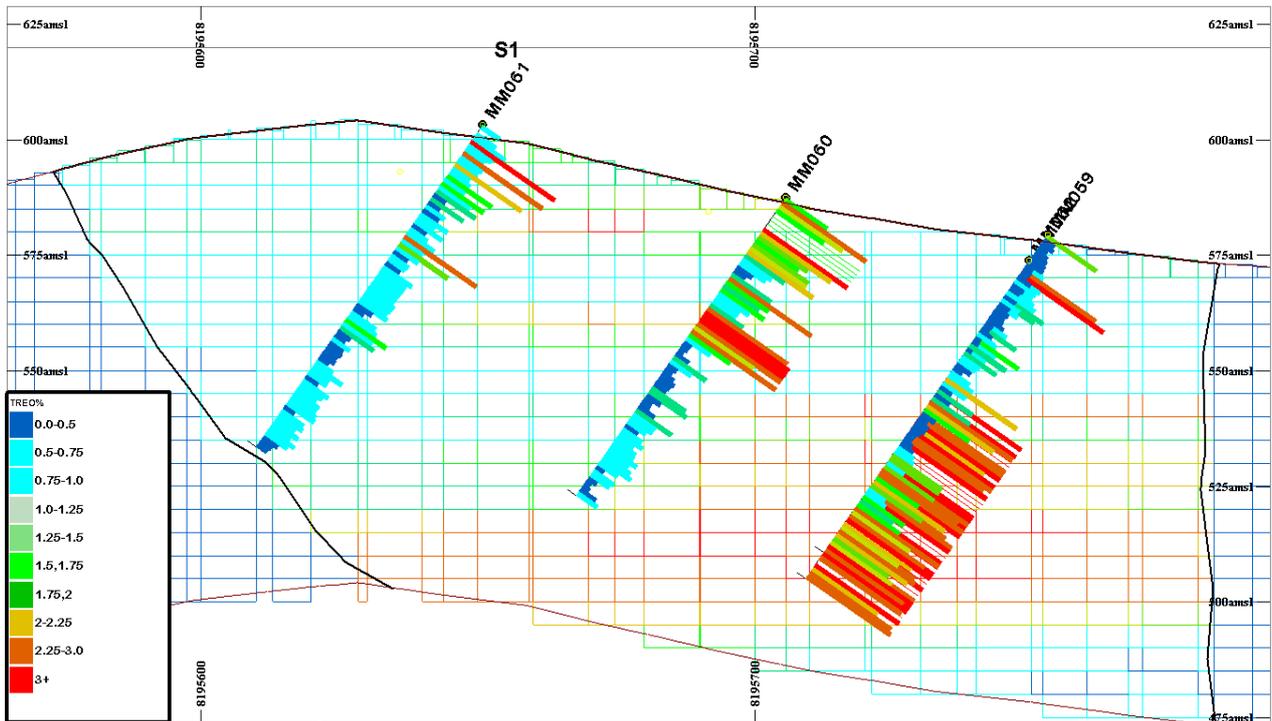


Figure 34: Target 1, Section 1. TREO% grades alongside boreholes. Grade shell 0.5% cut-off in black. Section SW to NE.

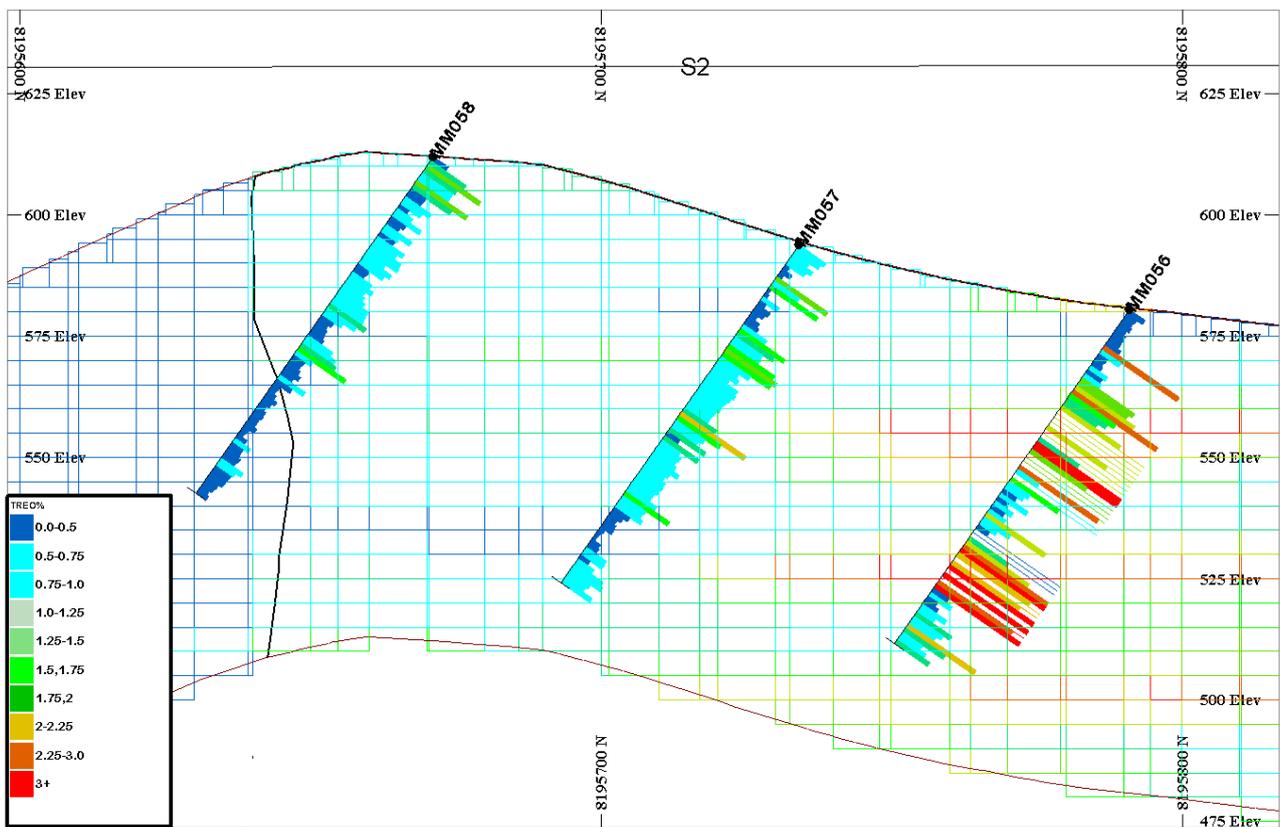


Figure 35: Target 1, Section 2: TREO% grades alongside boreholes. Grade shell 0.5% cut-off in black. Section SW to NE.

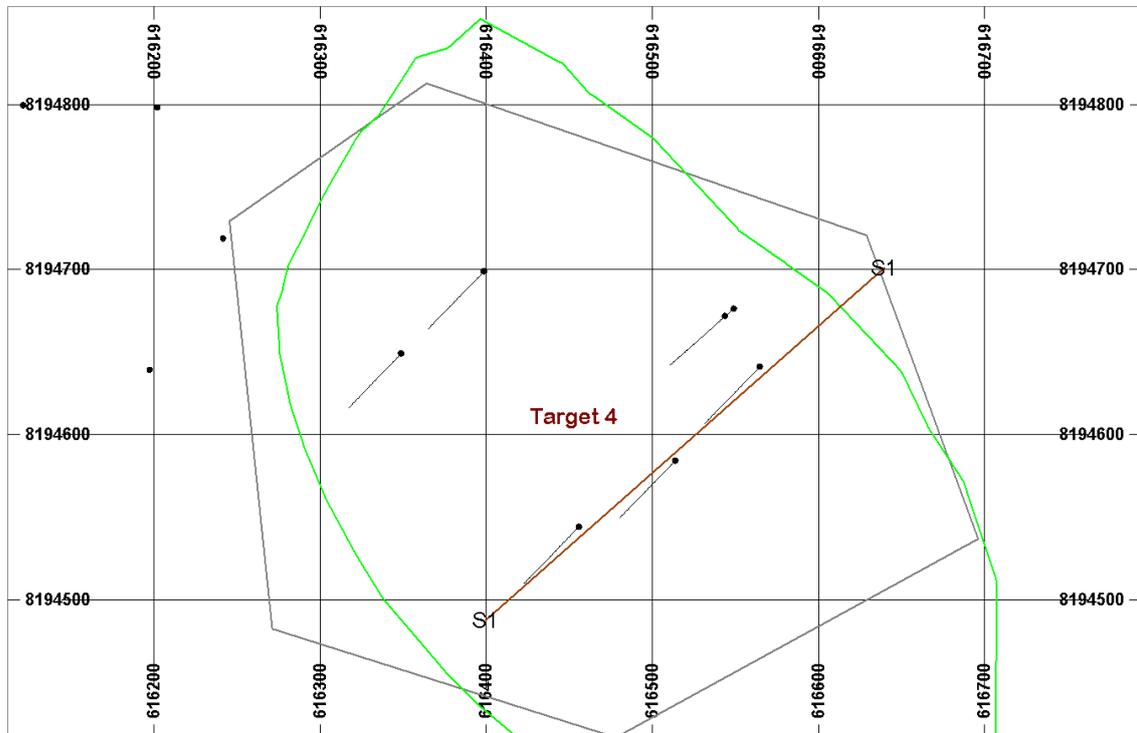


Figure 36: Target 4 location plan and section line position.

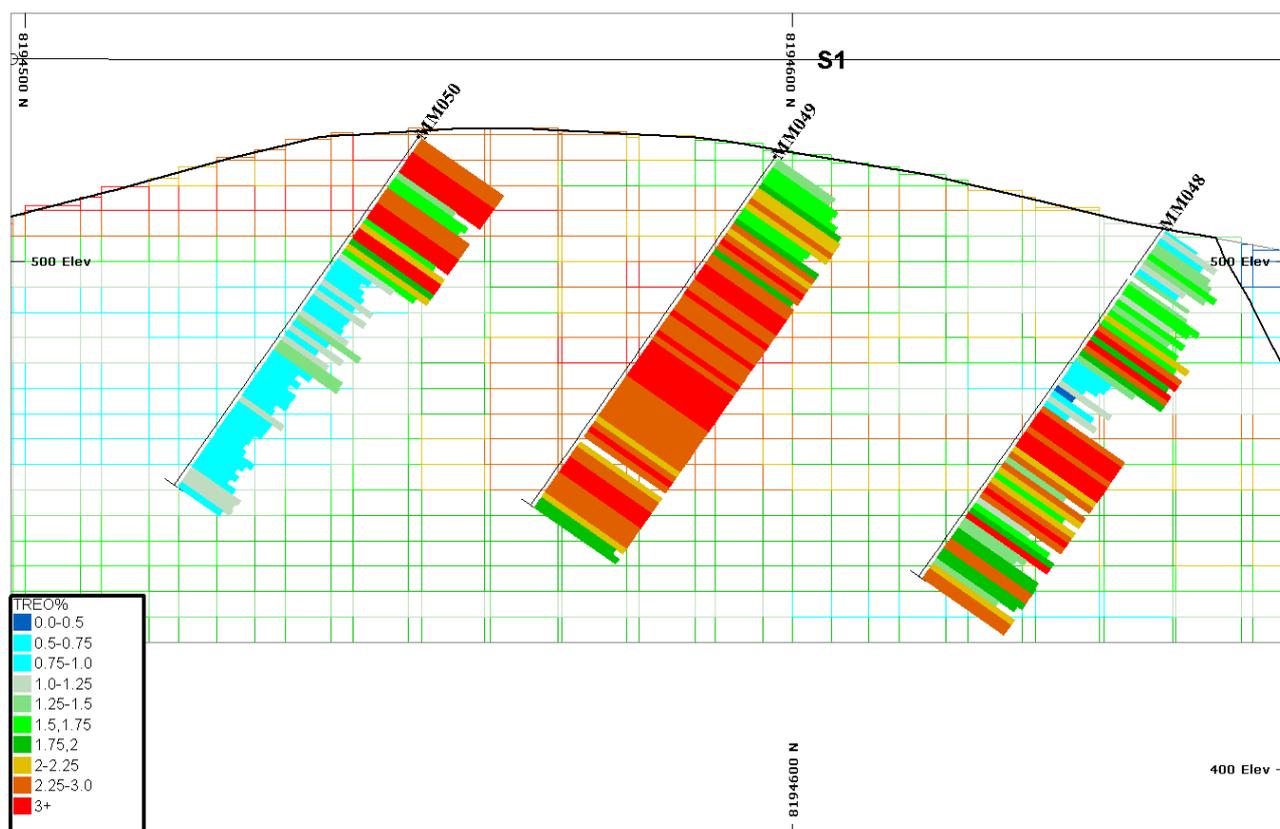


Figure 37: Target 4, Section 1. TREO% grades alongside boreholes. Grade shell 0.5% cut-off in black. Section SW to NE.

4.2.7.3 Geological Model Definition

To build a meaningful geological model, it was necessary to group lithologies by dominant lithological unit. The aim was to get the boreholes in a litho-stratigraphic sequence from the top down of: Soil, Fenite and then Carbonatite. This was to allow implicit modelling of surfaces between these grouped lithological units and then volumes thereafter. This was used to assign densities to a dominant rock group to apply to the block model (Table 7).

This method, though not strictly honouring geology, provides a reasonable method to allow for the low number of reliable density data available and the different geological coding over the periods drilled.

4.2.8 Grade Estimation Strategy

Monte Muambe grades were estimated for $\text{La}_2\text{O}_3\%$, $\text{CeO}_2\%$, $\text{Nd}_2\text{O}_3\%$ and $\text{Y}_2\text{O}_3\%$. These four oxide grades were utilised to calculate a TREO%. Other estimations included were: $\text{Nb}_2\text{O}_5\%$, and Th and U in ppm.

The model field DOMAIN has two variables INSIDE and OUTSIDE the 0.5 cut-off grade shell. The INSIDE flag can be seen as the Target zone.

Block models were only created for Target 1 and Target 4.

The estimation and search parameters were set up to estimate per domain.

REF_NUM	DATA VALUE FIELD	MODEL VALUE FIELD	SEARCH VOLUME REFERENCE NO	INTERPOLATION METHOD	POWER	DOMAIN	ZONE
1	CeO2%	CeO2%	1	OK		INSIDE	1
2	La2O3%	La2O3%	1	OK		INSIDE	1
3	Nb2O5%	Nb2O5%	1	OK		INSIDE	1
4	Nd2O3%	Nd2O3%	1	OK		INSIDE	1
5	Y2O3%	Y2O3%	1	OK		INSIDE	1
6	Th_ppm	Th_ppm	1	OK		INSIDE	1
7	U_ppm	U_ppm	1	OK		INSIDE	1
10	CeO2%	CeO2%	2	OK		OUTSIDE	0
11	La2O3%	La2O3%	2	OK		OUTSIDE	0
12	Nb2O5%	Nb2O5%	2	OK		OUTSIDE	0
13	Nd2O3%	Nd2O3%	2	OK		OUTSIDE	0
14	Y2O3%	Y2O3%	2	OK		OUTSIDE	0
15	Th_ppm	Th_ppm	2	OK		OUTSIDE	0
16	U_ppm	U_ppm	2	OK		OUTSIDE	0
19	CeO2%	CeO2%ID	1	ID	3	INSIDE	1
20	La2O3%	La2O3%ID	1	ID	3	INSIDE	1
21	Nb2O5%	Nb2O5%ID	1	ID	3	INSIDE	1
22	Nd2O3%	Nd2O3%ID	1	ID	3	INSIDE	1
23	Y2O3%	Y2O3%ID	1	ID	3	INSIDE	1
24	Th_ppm	Th_ppmID	1	ID	3	INSIDE	1
25	U_ppm	U_ppmID	1	ID	3	INSIDE	1
26	CeO2%	CeO2%ID	2	ID	3	OUTSIDE	0
27	La2O3%	La2O3%ID	2	ID	3	OUTSIDE	0
28	Nb2O5%	Nb2O5%ID	2	ID	3	OUTSIDE	0
29	Nd2O3%	Nd2O3%ID	2	ID	3	OUTSIDE	0
30	Y2O3%	Y2O3%ID	2	ID	3	OUTSIDE	0
31	Th_ppm	Th_ppmID	2	ID	3	OUTSIDE	0
32	U_ppm	U_ppmID	2	ID	3	OUTSIDE	0

Table 11: Estimation parameters applied to each DOMAIN. Both interpolation methods applied to Target 1 but only inverse distance (ID) to target 4.

REFNUM	SMETHOD	SEARCH DISTANCE 1	SEARCH DISTANCE 2	SEARCH DISTANCE 3	ANGLE1 Z	ANGLE2 X	ANGLE3 Y	MINSAMP	MAXSAMP	SVOL*2	MINSAMP 2	MAXSAMP 2	SVOL*3	MINSAMP 3	MAXSAMP 3	MAX SAMPLES PER HOLE
1	ELLIPSE	170	130	10	80	0	0	4	20	2	4	20	3	1	20	3
2	ELLIPSE	170	130	20	80	0	0	4	20	2	4	20	5	1	20	3

Table 12: Search Volume Parameters.

Search volume directional parameters were derived from anisotropy investigations before variography modelling using variance contour maps for major, intermediate, and minor (ellipse) directions, also sometimes referred to as continuity of the variogram ranges. Directions are chosen for each based on the direction showing the lowest variance contours for each axis

(major, intermediate, and minor). The search distances were based on average maximum distances.

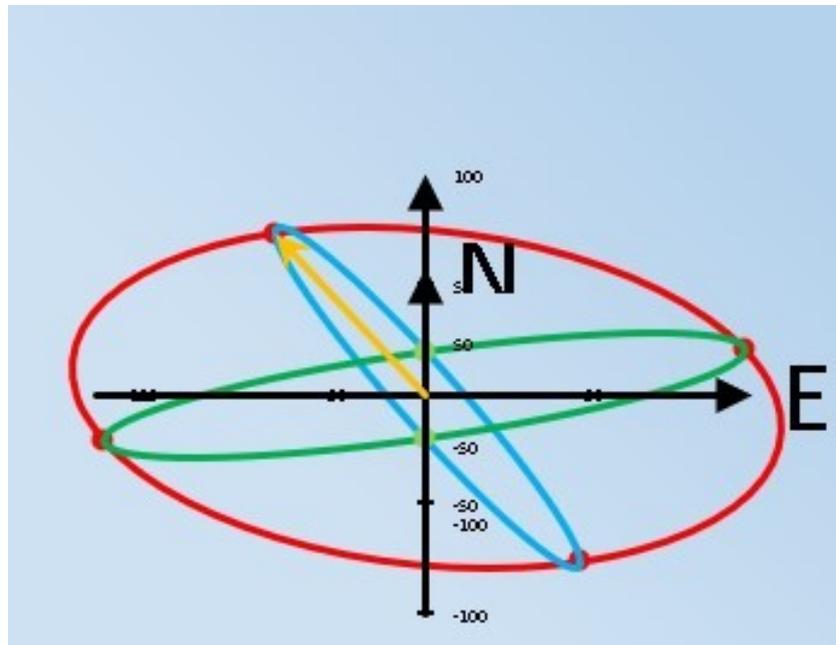


Figure 38: Search ellipse. Major axis strike 340 degrees. Ellipse has no dip or plunge.

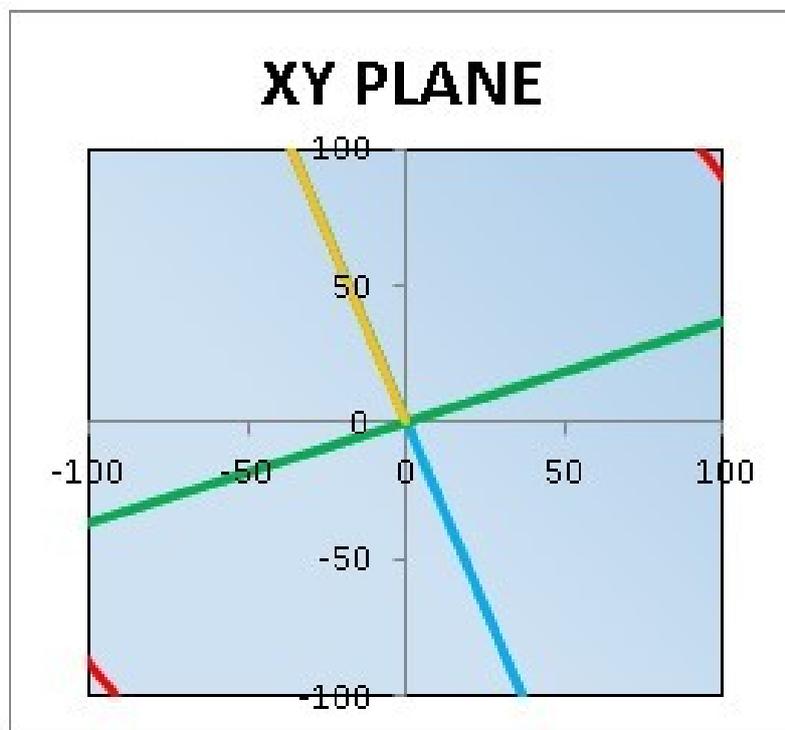


Figure 39: XY plane. Yellow line direction of maximum anisotropy.

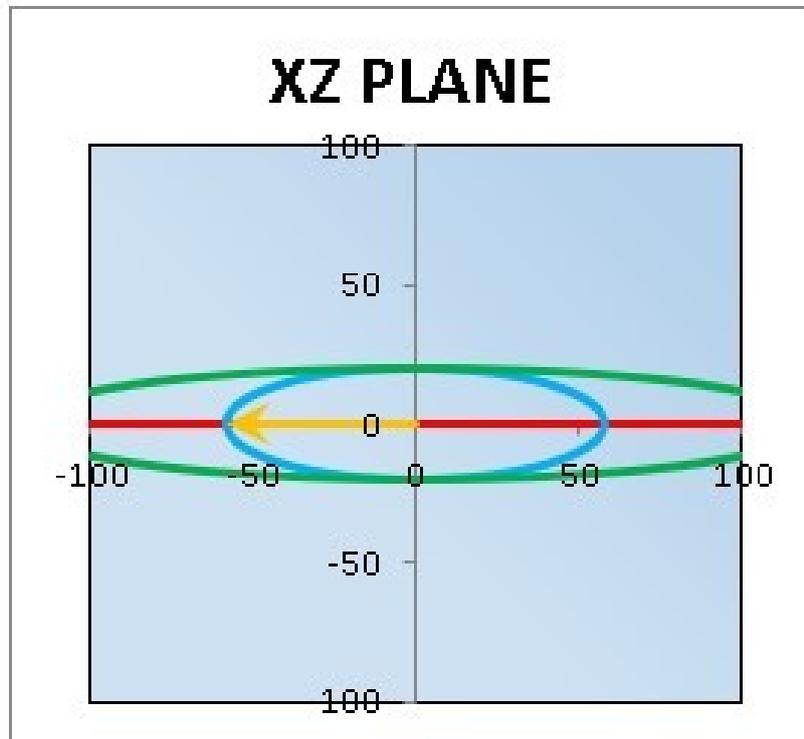


Figure 40: XZ plane of ellipse.

4.2.9 Model Validation

Swath plots were prepared over Target 1 (Figure 41) and Target 4 (Figure 42) to allow for the visualisations of model grades versus sample grades. The Target 1 Swath plot indicates the model is over-evaluating in areas where there is sparse data. Future infill-drilling will assist in correcting this.

Target 4 Swath plot indicates the model over-evaluating and under-evaluating in places, again this is as a result of limited data in this target area. Future infill-drilling will assist in correcting this.

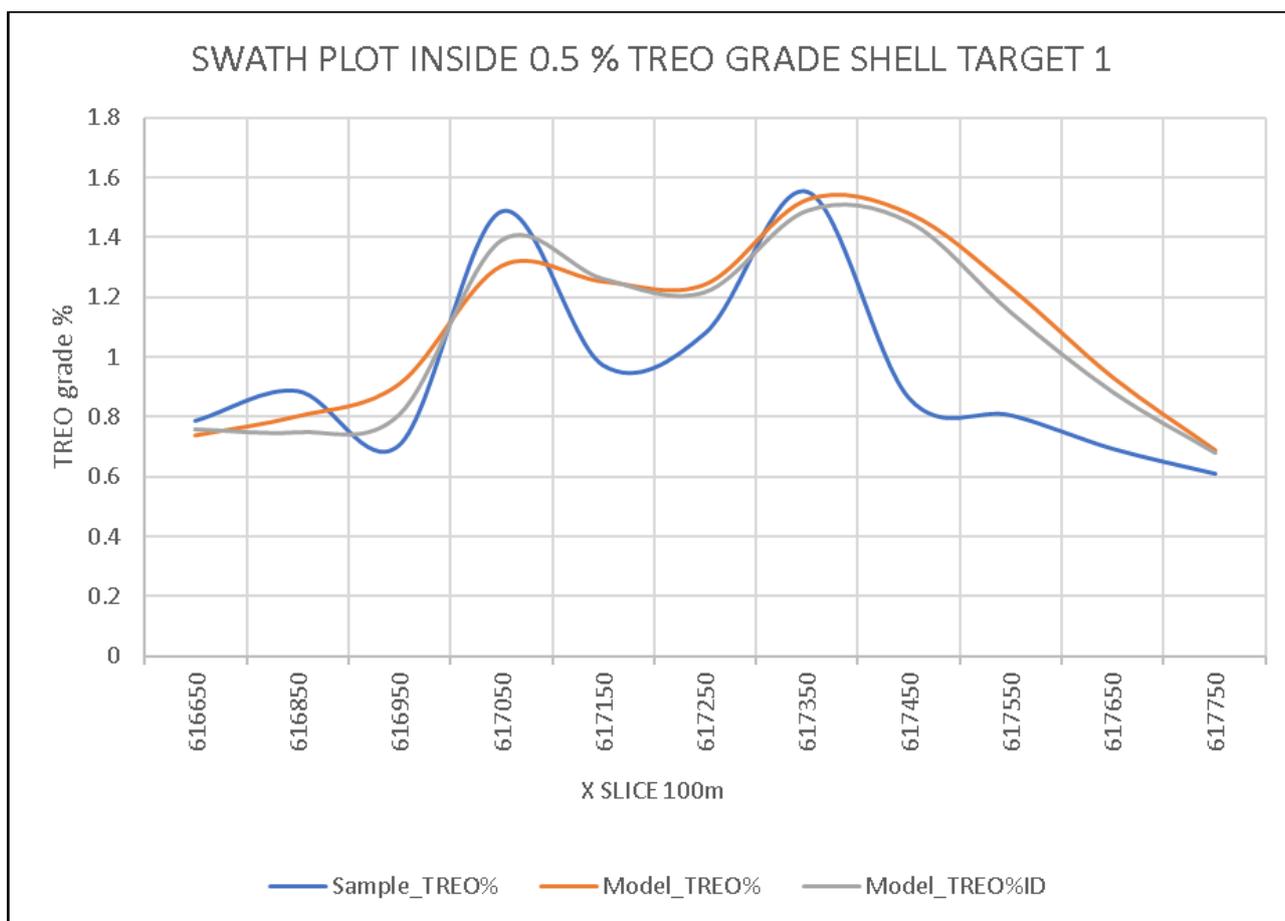


Figure 41: Swath Plot of Target 1. 100m slices along x axis comparing sample average grades in slice to model estimated grades of the same slice.

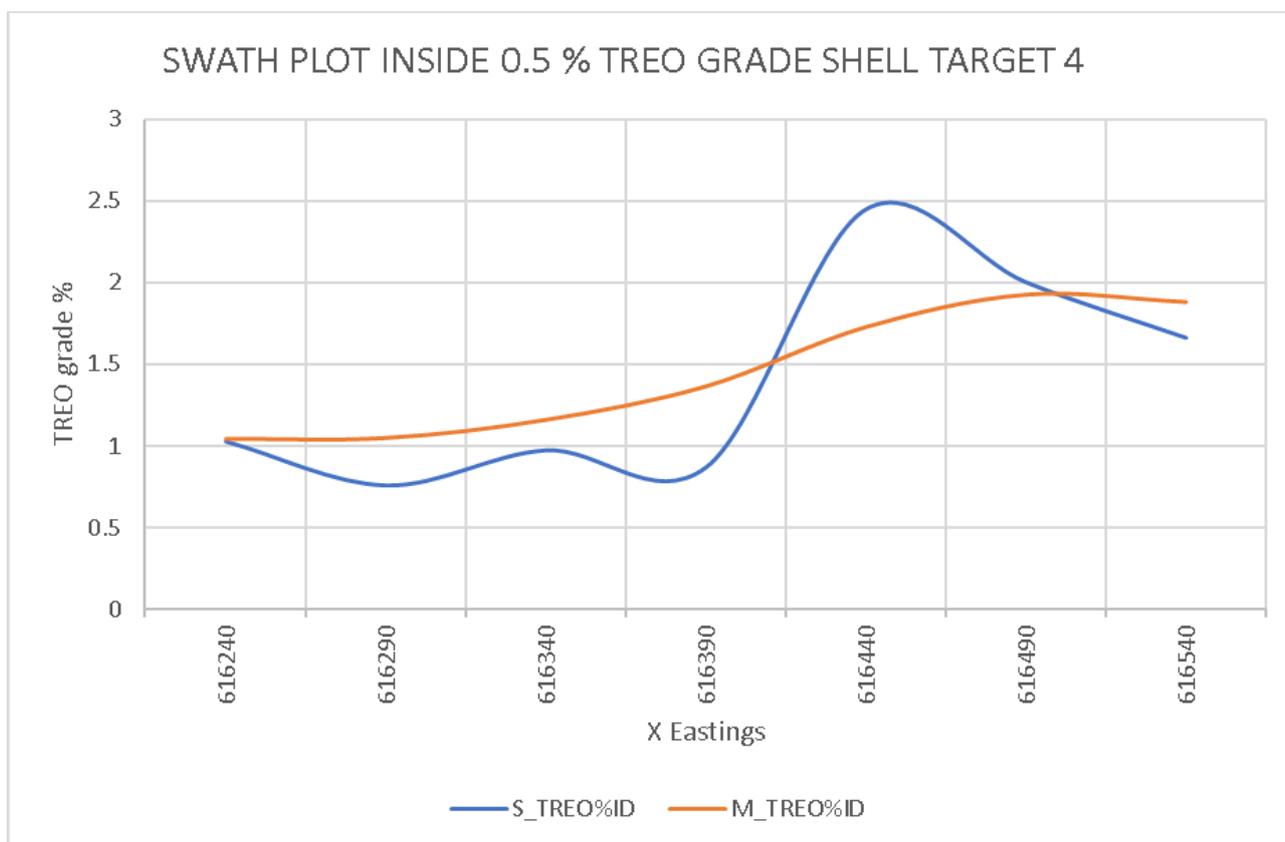


Figure 42: Swath Plot of Target 4. 50m slices along x axis comparing sample average grades in slice to model estimated grades of the same slice

The sparsity of data points (directly related to the amount of drilling and assay points available at the time of reporting) means the confidence in the evaluation is fairly low which is consistent with the highest reporting level for Monte Muambe REE being an Exploration Target. The low confidence in the estimation extends to the volume of the grade shell, as increased drilling density would possibly also reduce the volume.

4.2.10 Exploration Targets

Exploration Targets were generated for both Target 1 and Target 4 using the defined block models constrained by the ground surface, a distance to the nearest borehole, a depth below surface of 100m in the case of Target 1 and between 80m and 100m below surface in the case of Target 4, and TREO Grade Shells: firstly a 0.5% TREO cut-off grade shell and secondly a 1.0% TREO cut-off grade shell for both Target 1 (Figure 43) and Target 4 (Figure 44). Exploration targets have been reported for Targets 1 and 4 for both grade shells at a 1% TREO cut-off and a 2% TREO cut-off within the grade shells.

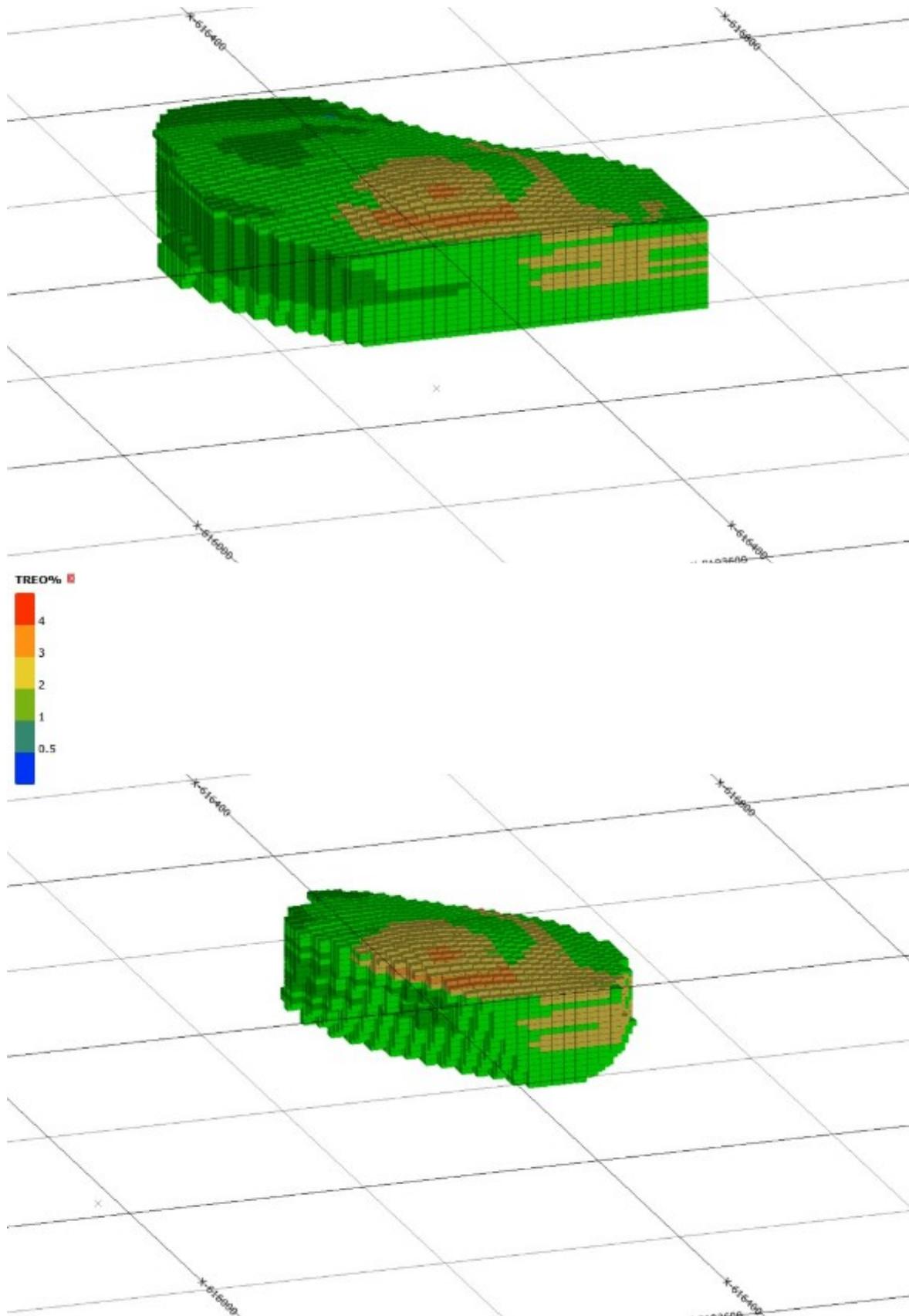


Figure 44: Target 4 Grade Model Clipped with 0.5% TREO Grade Shell (top) and 1.0% TREO Grade Shell (bottom). Straight line clipping in SE related to distance to boreholes.

%TREO Cut-off Applied Within Grade Shell	Target	Tonnes (millions)		TREO%	
		0.5% Grade Shell	1.0% Grade Shell	0.5% Grade Shell	1.0% Grade Shell
1.0%	Target 1	39.1	12.9	1.63	1.75
	Target 4	17.5	8.8	1.69	1.86
	Total	56.7	21.6	1.65	1.79
2.0%	Target 1	7.8	3.4	2.47	2.51
	Target 4	3.7	3.0	2.35	2.37
	Total	11.5	6.5	2.43	2.45

Table 13: Exploration Targets Across Targets 1 and 4 based on 0.5% and 1.0% grade shells and 1.0% and 2.0% TREO cut-off grades. Any apparent errors in the tables provided are related to numerical rounding of the original data sets.

Details of the target at different cut-off grades for the 0.5% and 1.0% TREO grade shells is contained in Section 15 Appendix C. Uranium and thorium grades are relatively low for the estimated shells being less than 36ppm and 400ppm for U and Th respectively.

The total REO Exploration Target across Targets 1 and 4 is between 56.7 and 6.5 million tonnes at respective TREO grades of between 1.65% and 2.45%. In terms of the estimation, a higher grade, grade shell and a higher cut-off grade will always results in a lower tonnage and higher grade exploration target - the uncertainty in the grade and hence the grade range reported, should not be seen as minimums and maximums to report across the entire tonnage range.

It is important to note that the above statement is an exploration target and that increased exploration will not necessarily translate into the reporting of mineral resources and ore reserves. Exploration and the data availability whilst encouraging and warranting of further exploration work, is at an early stage which is reflected in the category of reporting in this report, the reader’s attention is once again drawn to Figure 24 from the 2012 JORC code.

5 Audits & Reviews

No audits or reviews have been performed to date, aside from a review of the sample practise conducted in this visit at the core yard. It's recommended that a regular external audit be implemented as part of standard operational procedure going forward.

No independent samples were collected as part of this reporting process.

6 Proposed Exploration & Recommendations

It's recommended that the highly successful soil sampling programme grid, be completed across the remaining area of the crater floor, and results obtained by the use of the in-house pXRF. The combined use of the airborne radiometric data and soil gridding data will likely show should there be any further possible targets similar to the other's identified by Altona.

The completion of assay of all already drilled and mineralised intersections from Altona's exploration programme by an accredited laboratory and incorporation into the drilling database.

Whilst QAQC protocols are in place with respect to sampling and assay, and tabulations of the QAQC data appear to have been completed, there does not appear to be formal reporting or a sign-off of the data sets provided for reporting purposes. It is recommended that all assay data batches are formally reported on in terms of QAQC and signed off.

The delineation of form and extent of identified targets by sufficient drilling which will at times include the drilling of boreholes in opposite and alternative azimuths to the drilling fences completed to date.

Boreholes completed after the 05 July 2022 database cut-off, comprise an additional 2,183.07m of RC drilling, these holes were drilled on Target 1, Target 4 and Target 9. Altona completed a total of 3,953.94m of RC drilling in their 2022 programme, the final results of this programme are awaited for compilation into the existing drilling database. On the basis of the soon to be updated database, Altona wishes to prepare a maiden mineral resource statement in the first quarter of 2023 where possible. Altona has also started mineralogical testing (by way of XRD and QEMSCAN) with a view to conducting metallurgical testing. It is intended that on successful completion of a mineral resource estimate, that those results and the mineralogical test-work, will be utilised as part of a Preliminary Economic Assessment which is hoped to be published early in the second quarter of 2023.

7 Conclusions

The Monte Muambe volcano in Mozambique is a well documented carbonatite intrusive which falls within the Chilwa Alkaline Province which is known to host anomalous REE mineralisation, including the well known Songwe Hill and Kangankunde REE deposits. Altona's exploration coupled with that from earlier workers has generated a number of REE targets within the floor area of the volcanic crater – these targets are the focus of Altona's exploration programme.

Data thus far gathered by Altona, has allowed for the reporting of an Exploration Target on Targets 1 and 4 of Altona's current Targets. Altona's use of pXRF has allowed for excellent delineation of surface soil anomalies coincident with subsurface mineralisation and the rapid appraisal of results from their drilling programme. The nature of pXRF analyses (incomplete analyses of the REE suite and accuracy and precision constraints) and the sparsity of drilling information available at the date of publication of this report, only allows for the approximation of an Exploration Target in respect of REO mineralisation.

The combined exploration target over Altona's Targets 1 and 4 was estimated using cut-off grades of 1% and 2% on models constrained by ground surface, depth, distance to data points and 0.5% and 1.0% TREO Grade Shells. The **Exploration Target** is between **56.7Mt and 6.5MT at TREO grades ranging from 1.65% to 2.45%** using the described constraints and methodology.

An additional 21 RC boreholes (for 2,183.07m) on Targets 1, 4 and 9, post the Exploration Target presented above, is hoped to allow for the definition of a maiden mineral resource by Altona in 2023.

Exploration results from the Monte Muambe deposit, justifies Altona's ongoing systematic exploration programme and Altona's well conceived exploration programme has evolved in terms of method and application to deliver solid exploration and grade data.

8 Qualifications of Competent Persons and Signature Page

8.1. J.P. Hattingh

This report on Altona's Monte Muambe Project, dated 23 January 2023, was prepared by J.P. Hattingh who has overall responsibility for the sign-off as the Competent Person. J.P. Hattingh is a Fellow of the Geological Society Of South Africa (GSSA) and is registered with the South African Council for Natural Scientific Professions (SACNASP). Both organisations are Recognised Overseas Professional Organisation as defined by CRIRSCO. J.P. Hattingh has acted as a Competent/Qualified Person for submissions in various jurisdictions.

J.P. Hattingh holds a BSc Honours degree in Geology from the University of Natal and has more than twenty years experience in the mining and exploration industries with sufficient experience relevant to the nature of the mineralisation being investigated to qualify as a Competent Person for the purposes of drafting this report. The date of sign-off and effective date is 23 January 2023.

J.P. Hattingh is a director of Rock and Stock Investments (Pty) Ltd. Rock and Stock Investments (Pty) Ltd is an independent geological consultancy which is providing services to Altona Rare Earths Plc and has extensive experience in preparing technical and competent persons' reports for exploration and mining companies. Neither Rock and Stock Investments (Pty) Ltd, nor J.P. Hattingh have any relation to Altona Rare Earths Plc's employees, representatives, and directors. Rock and Stock Investments (Pty) Ltd and J.P. Hattingh are completely unbiased and have no interests in any of Altona Rare Earth Plc's projects.

I, J.P. Hattingh consent to the release of the Report by the directors of Altona Rare Earth Earths Plc.



J.P. Hattingh

BSc (Hons.) Geology

SACNASP membership number 400039/02

FGSSA membership number 963441

8.2. C. Hattingh

C. Hattingh is registered with the South African Council for Natural Scientific Professions (SACNASP) and is a Fellow of the Geological Society of South Africa (GSSA). Both SACNASP and the GSSA are Recognised Overseas Professional Organisation as defined by CRIRSCO. C. Hattingh was responsible for reviewing this document. C. Hattingh holds a BSc Honours degree in Geology from the University of Pretoria. C. Hattingh has acted as a Competent/Qualified Person for submissions in various jurisdictions. She has more than twenty years of experience in minerals exploration which is relevant to the subject of this report.

For purposes of this report C. Hattingh has provided invaluable review and commentary.

C. Hattingh is a director of Rock and Stock Investments (Pty) Ltd. Rock and Stock Investments (Pty) Ltd is an independent geological consultancy which is providing services to Altona Rare Earths Plc and has extensive experience in preparing technical and competent persons' reports for exploration and mining companies. Neither Rock and Stock Investments (Pty) Ltd, nor C. Hattingh have any relation to Altona Rare Earths Plc's employees, representatives, and directors. Rock and Stock Investments (Pty) Ltd and C. Hattingh are completely unbiased and have no interests in any of Altona Rare Earth Plc's projects.

I, C. Hattingh consent to the release of the Report by the directors of Altona Rare Earth Earths Plc.



C. Hattingh

BSc (Hons.) Geology

SACNASP membership number 400019/03

FGSSA membership number 963902

8.3. M.J. Phipps

M.J. Phipps is registered with the South African Council for Natural Scientific Professions (SACNASP) and is a Member of the Geological Society of South Africa (GSSA). M.J. Phipps holds a BSc Honours degree in Geology from the Rand Afrikaans University. He has more than 35 years of experience in mining and exploration industries, the last twenty-six mostly focussed on resource estimation on numerous commodities including precious and base metals, coal and industrial minerals.

M.J.Phipps has extensive experience in preparing technical and competent persons resource reports for mining companies. M.J. Phipps does not have any relation to Altona Rare Earths Plc's employees, representatives, and directors. M.J. Phipps is completely unbiased and has no interests in any of Altona Rare Earth Plc's projects.



M.J. Phipps

BSc (Hons.) Geology

SACNASP membership number 400271/04

GSSA membership number 56617

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10 Glossary

Alluvium	A general term for all detrital deposits resulting from the operations of modern rivers, thus including the sediments laid down in riverbeds, flood plains, lakes, fans at the foot of mountain slopes, and estuaries.
Anticline	Arch-shaped fold in rocks, closing upwards, with the oldest rocks in the core.
Archaean	The pre-Proterozoic period which represents the oldest known Precambrian rocks.
Assay	The analysis of minerals and mine products to determine the concentrations of their components.
Azimuth	A horizontal angle measured clockwise from north.
Basalt	An extrusive rock composed primarily of calcic plagioclase and pyroxene, with or without olivine.
Basin	A depressed area with no surface outlet where sediment can accumulate.
Bedding planes	The well-defined divisional planes in sedimentary rocks.
Basement	Highly folded, metamorphic, or Plutonic rocks, often unconformably overlain by relatively undeformed sedimentary beds.
Bauxite	A sedimentary rock with a relatively high aluminium content. It is a mixture of hydrous aluminium oxides, aluminium hydroxides, clay minerals, and insoluble materials such as quartz, haematite, magnetite, siderite, and goethite.
Cadastral map	Records showing the extent, value, and ownership (or other basis for use or occupancy) of land
Carbonaceous	Describing a rock or sediment that is rich in carbon.
Carbonatite	Intrusive carbonate rocks which are associated with alkaline igneous intrusive activity.
Channel	A bed of a stream or river in which water is or was flowing.
Channel width	The distance across a channel or a stream. In mining this is the total thickness of all reef bands, including internal waste.
Coarse grained	A clastic sedimentary rock texture in which the individual rock particles have an average diameter greater than 2mm.
Colluvium	A general name for loose, unconsolidated sediments that have been deposited at the base of hillslopes by either rainwash, sheetwash, slow continuous downslope creep, or a variable combination of these processes.
Composited samples	Comprise of X Y Z coordinates, a true width and a cmgt value defining the product of the average gold content and the true width of the orebody (channel width, cm)
Conformably Conglomerate	An unbroken sequence of layers is found one above the other. Detrital sedimentary rock composed of rounded to sub-rounded fragments larger than 2mm in diameter, set in a fine-grained sandy matrix and commonly cemented by calcium-carbonate, iron oxide, silica, or clay.
Chlorite	A group of platy, greenish minerals, composed of Mg, Fe, Al, Si, O and H.
Copper	A chemical element with the symbol Cu and atomic number 29. It is a

ductile metal with excellent electrical conductivity and is rather supple in its pure state and has a pinkish lustre. It finds use as a heat conductor, an electrical conductor, as a building material, and as a constituent of various metal alloys.

Craton	A core of stable continental crust within a continent and composed wholly of largely of Precambrian rocks with complex structures.
Cretaceous	A geological period that lasted from about 145 to 66 million years ago. It is the third and final period of the Mesozoic Era.
Data verification	The process of confirming that data has been generated with proper procedures, has been accurately transcribed from the original source, and is suitable for use.
Depletion	Decrease in quantity of ore in a deposit resulting from extraction or production.
Diamond drilling	A rotary drilling method also referred to as diamond cored drilling. The drilling of boreholes using diamond-studded bits, usually for core recovery in exploration.
Dilution	Waste-material that is unavoidably mined during ore extraction, and thereby forms part of the Reserve.
Diorite	A plutonic rock composed essentially of sodic plagioclase (usually andesine) and hornblende, biotite, or pyroxene. Small amounts of quartz, orthoclase and olivine may be present. Zircon, apatite, sphene, magnetite, ilmenite and sulphides occur as accessory minerals.
Dip	The angle at which a stratum or any planar feature is inclined from the horizontal. The dip is at a right angle to the strike.
Dolerite	A dark-coloured hypabyssal igneous rock, the medium-grained equivalent of gabbros, occurring mainly as dykes, sills and plugs.
Dolomite	The name of a sedimentary carbonate rock and a mineral, both composed of calcium magnesium carbonate $\text{CaMg}(\text{CO}_3)_2$.
Downthrow	The wall of a fault that has moved relatively down-ward.
Dyke	A tabular body of igneous rock that cuts across the structure of adjacent rocks or cuts massive rocks.
Exploration	A target which is conceptual in nature and based on exploration results.
Target Facies	A rock unit defined by its composition, its shape and internal geometry. Generally, a sub-unit of a more extensive rock unit with defining compositional, textural and other characteristics.
Fault	A fracture or fracture zone along which there has been displacement of the sides relative to one another parallel to the fracture.
Feasibility study	An analysis and evaluation of a proposed project to determine if it is technically sound, socially acceptable, and economically sustainable.
Fold	A bend in rock strata or in any planar feature. The feature (e.g. bedding, cleavage, or layering) is deflected sideways and the amount and direction of dip is altered.
Footwall Formation	The wall rock on the lower side of an inclined ore body (the floor). Used in stratigraphy to denote a group of rock strata that has a comparable lithology, facies or other similar properties.

Geochemical soil sampling	The process of collecting and analysing unconsolidated soil samples in order to locate geochemical anomalies in the underlying rock and to use these to find ore bodies.
Gold	A chemical element with the symbol Au and atomic number 79. It is a highly sought-after precious metal which, for many centuries, has been used as money, a store of value and in jewellery. A metal occurs as nuggets or grains in rocks, underground "veins" and in alluvial deposits. It is one of the coinage metals. Gold is dense, soft, shiny and the most malleable and ductile of the known metals. Pure gold has a bright yellow colour traditionally considered attractive.
Grade	A reference to elemental concentration in mining and exploration industries. (Units vary but include %, grams per metric tonne or g/t).
Granite	A plutonic rock consisting essentially of alkali feldspar and quartz. Sodic plagioclase, usually oligoclase is commonly present in small amounts of muscovite, biotite, hornblende, or rarely pyroxene may be mafic constituents.
Granitoid	A term applied to the texture of holocrystalline igneous or metasomatic rocks such as granites in which the constituents are mostly anhedral or xenomorphic and of uniform size.
Granophyre	A quartz porphyry or fine-grained porphyritic granite characterized by a groundmass with micrographic (granophyric) texture.
Hangingwall Igneous	The overlying side of an ore body, fault or mine working. One of the three main groups of rock types (igneous, metamorphic, and sedimentary) and formed by solidification from a molten or partially molten state.
Indicated Mineral Resource	That part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on information from exploration, sampling and testing of material gathered from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological or grade continuity but are spaced closely enough for continuity to be assumed.
Inferred Mineral Resource	That part of a Mineral Resource for which volume or tonnage, grade and mineral content can be estimated with only a low level of confidence. It is inferred from geological evidence and sampling and assumed but not verified geologically or through analysis of grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that may be limited in scope or of uncertain quality and reliability.
Intrusion	A body of igneous rock that invades another older rock. The invading rock may be a plastic solid or magma that pushes its way into the older rock.
Intrusive	A body of rock, usually igneous, that is emplaced within pre-existing rock.

	Intrusions are classified according to their size, their shape, and their geometrical relationship to the enclosing rocks.
Inverse Distance Squared	A method for interpolating spatial sample data and determining values between data points. A value interpolated for any spatial point is determined by applying a weighting factor based on distance between the spatial point and surrounding sample data.
Isotopes	Elements having an identical number of protons in their nuclei but differing in the number of their neutrons. Isotopes have the same atomic number, differing atomic weights, and almost but not quite the same chemical properties.
Kaapvaal Craton	The ancient, proto-continental crystalline basement of northern South Africa.
Kaolinite	A clay mineral produced by the chemical weathering of aluminium silicate minerals like feldspar.
Karoo Supergroup	The rocks that cover approximately two-thirds of the land surface of South Africa and form a thick pile of predominantly sedimentary strata that were deposited over the period 312 to 182 million years ago (late Carboniferous to Middle Jurassic periods).
Kriging	A weighted, moving-average interpolation method, in which the set of weights assigned to samples minimize the estimation variance, which is computed as a function of the variogram model and locations of the samples relative to each other, and to the point or block being estimated.
Lava	Fluid rock such as that which issues from a volcano or a fissure in the earth's surface.
Leucocratic	A term applied to light-coloured rocks, especially igneous rocks, containing between 0 and 30% of dark minerals.
Lithology	The physical character of a rock, generally as determined megascopically or with the aid of a low-power magnifier.
Magma	Molten material found in the Earth's interior, which forms igneous rocks, when it solidifies within the Earth's crust (intrusive rocks) or on the Earth's surface (extrusive rocks). It contains water vapour and volatile gases as well as rock-forming material.
Magnetic survey	A survey along a profile or grid using a magnetometer to determine the strength of the geomagnetic field at particular points.
Measured Mineral Resource	That part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a high level of confidence. It is based on detailed and reliable information from exploration, sampling and testing of material from locations such as outcrops, trenches, pits, workings and drill holes. The locations are spaced closely enough to confirm geological and grade continuity.
Mesozoic	The geological era that extended from the end of the Palaeozoic era, about 248 million years ago, to the beginning of the Cenozoic era, about 65 million years ago. It comprises the Triassic, Jurassic, and Cretaceous

Metalliferous Metamorphic	<p>periods. Containing metal. An aggregate of minerals formed by the recrystallisation of pre-existing rocks in response to a change of pressure, temperature, or volatile content.</p>
Metasediments	Partly metamorphosed sedimentary rocks.
Mica	<p>A mineral group, consisting of phyllosilicates with sheet like structures. Mostly monoclinic, characterized by very perfect basal cleavage.</p>
Micaceous Mineral	<p>Consisting of, containing or pertaining to mica. An inorganic substance which occurs naturally and typically has a crystalline structure whose characteristics of hardness, lustre, colour, cleavage, fracture, and relative density can be used to identify it.</p>
Mineral Resource	<p>A concentration or occurrence of material of economic interest in or on the earth's crust in such form, quality and quantity that there are reasonable and realistic prospects for eventual economic extraction. The location, quantity, grade, continuity and other geological characteristics of a Mineral Resource are known, or estimated from specific geological evidence, sampling and knowledge interpreted from an appropriately constrained and portrayed geological model. Mineral Resources are subdivided, and must be so reported, in order of increasing confidence in respect of geoscientific evidence, into Inferred, Indicated or Measured categories.</p>
Ore	<p>The naturally occurring material from which a mineral or minerals of economic value can be extracted profitably, or to satisfy social or political objectives. The term is generally, but not always, used to refer to metalliferous material, and is often modified by the names of the valuable constituent, e.g. iron-ore, gold-ore, ore mineral etc.</p>
Ounce (oz)	Measure of weight equal to 31.10348 grams.
Outcrop	The exposure of bedrock or strata projecting through the overlying cover of detritus and soil.
Potable	Drinkable.
Proximal	Applied to a sediment or sedimentary environment close to the source or origin of the deposit.
Pycnometer	An instrument to measure the specific gravity of material.
QEMSCAN®	An integrated automated mineralogy and petrography solution providing quantitative analysis of minerals, rocks and man-made materials.
Quartzite	A granulose metamorphic rock consisting essentially of quartz.
Quality Assurance & Quality Control	<p>Quality assurance are all of those planned or systematic actions necessary to provide adequate confidence in the data collection and estimation process. Quality control is the use of statistical tools to ensure that the systems are in statistical control.</p>
Radiometric survey	A survey comprising the most precise method of dating rocks, in which the relative percentage of 'parent' and 'daughter' isotopes of a given radioactive element are estimated.
Raise	A vertical or inclined opening in a mine driven upward from a level to

		connect with the level above, or to explore the ground for a limited distance above one level. After two levels are connected, the connection may be a winze or a raise, depending upon which level is taken as the point of reference.
Rare Earth Elements Reverse Circulation Drilling Reef Rock and Stock Rotary Airblast Drilling		Elements of the lanthanide group on the periodic table (atomic number 57-71) and yttrium and scandium. A rotary-percussion method of drilling where the drilling rock chips are flushed up the inside of the drill rod string. Also referred to as RC drilling.
Shale		A provincial term for a metalliferous mineral deposit.
Silicate		Rock and Stock Investments (Pty) Ltd. A geoscience consultancy. A rotary percussion method of drilling where the drilling rock chips are flushed up the outside of the drill rod string. Also referred to as RAB drilling.
Sill		Fine-grained, fissile, sedimentary rock composed of clay-sized and silt-sized particles of unspecified mineral composition.
Shuttle Radar Topography Mission Strike		A compound containing an anion in which one or more central silicon atoms are surrounded by electro negative ligands. The term is used to denote types of rock that consist predominantly of silicate minerals.
Stoping		An intrusive body of igneous rock of approximately uniform thickness and relatively thin compared with its lateral extent, which has been emplaced parallel to the bedding or schistosity of the intruded rocks.
Subgroup		Refers to a NASA satellite mission responsible for the acquisition of high-resolution topographic data.
Sulphide		The direction or bearing of a horizontal line in the plan of an inclined stratum, joint, fault, cleavage plane, or other structural plane. It is perpendicular to the direction of the dip.
		The act of excavating rock, either above or below a level, in a series of steps. In its broadest sense, rock stoping means the act of excavating rock by means of a series of horizontal, vertical, or inclined workings in veins or large, irregular bodies of ore, or by rooms in flat deposits. It covers the breaking and removal of the rock from underground openings, except those driven for exploration and development. The removal of ore from drifts, crosscuts, shafts, winzes and raises, which are excavated to explore and develop an ore deposit, is incidental to the main purpose for which stopes are driven and is not a stoping operation. Exploratory and development openings are driven to prepare a mine for extraction of the ore by stoping.
		An occurrence of strata in contact with the under-surface of an inclusive stratigraphic unit that succeeds an important unconformity on which overstep is conspicuous.
		Refers to several types of chemical compounds containing sulphur in its lowest oxidation number of -2.

Supergroup	A term that may be used for formal identification of an assemblage of related and adjacent groups or related and adjacent formations and groups.
Surface rights	Access rights and ownership to the land surface.
Syenite	A coarse-grained intrusive igneous rock with a general composition similar to that of granite, but deficient in quartz, which, if present at all, occurs in relatively small concentrations (< 5%).
Syncline	A fold in rocks in which the strata dip inward from both sides towards the axis.
Synform	A basin or trough-shaped fold whose younger strata may be above or below older ones.
Tailing	The materials left over after the process of separating the valuable fraction of ore from the uneconomic fraction (gangue)
XRD	XRD is a nondestructive analytical technique that reveals detailed structural and chemical information about the crystallography of materials. XRD looks at a crystalline material's characteristic X-ray scattering, or diffraction pattern, which reveals the material's atomic structure. Qualitative analysis is possible by comparing the XRD pattern of an unknown material with a library of known patterns.
XRF	A non-destructive analytical technique used to determine the elemental composition of materials. XRF analyzers determine the chemistry of a sample by measuring the fluorescent (or secondary) X-ray emitted from a sample when it is excited by a primary X-ray source.

11 Abbreviations

Au	Gold
CGS	South African Council for Geoscience
Co	Cobalt
CPR	Competent Person's Report
CRIRSCO	Committee for Mineral Reserves International Reporting Standards
DTM	Digital Terrain Model
E	East
EMP	Environmental Management Programme
EMPR	Environmental Management Programme Report
ENE	East-northeast
GIS	Geographical Information Systems
HDSA	Historically Disadvantaged South Africans
HREE	Heavy rare earth elements
IEC	International Electrotechnical Commission
ISO	International Standards Association
LREE	Light rare earth elements
max	Maximum
min	Minimum
NE	Northeast
PC	Personal computer
pXRF	Portable XRF
QAQC	Quality Assurance and Quality Control
QEMSCAN®	Quantitative evaluation of minerals by scanning electron microscopy. A

QGIS	registered trademark owned by FEI Company. Open-source geographic information system software that supports most geospatial, vector and raster file types and database formats.
RAB	Rotary Airblast drilling.
RC	Reverse Circulation drilling.
REE	Rare earth elements or the lanthanide group and SC and Y.
REO	Rare Earth Element Oxides
ROPO	Recognised Overseas Professional Organisation
S	South
SAMREC	South African Code for reporting of Mineral Resources and Mineral Reserves
SACNASP	South African Council for Natural Scientific Professions
SANAS	South African National Accreditation System
SG	Specific gravity
SRTM	Shuttle Radar Topography Mission
SW	Southwest
TREE	Total Rare Earth Elements
TREO	Total Rare Earth Element Oxides
USGS	United States Geological Survey
UTM	Universal Transverse Mercator (a plane coordinate grid system based on Transverse Mercator)
WGS84	World Geodetic System 1984
WSW	West-southwest
XRD	X-ray diffraction
XRF	X-ray fluorescence
ZAR	South African Rand

12 Units

%	Percentage
'	Minutes
"	Seconds
°	Degrees
°C	Degrees Celsius
AMSL	Above mean sea level
cm	Centimetre
cmgt	centimetre gram per tonne
g	Grams
g/t	Grams per tonne
Ga	Billion years
Ha	Hectare
kg	Kilogram (equivalent to 1000 grams)
km	Kilometre
l	Litre
M	Million
m	Metre
Ma	Million years
mg/t	Metre gram per tonne
mm	Millimetre
Mm²	Million square metres
Moz	Million ounces
Mt	Million tonnes
Oz	Troy ounce (~31.10348 grams)
ppb	Parts per billion

ppm	Parts per million
t	Tonne (a metric tonne equivalent to 1000 kg)
ZARk	A thousand South African Rand
ZARm	A million South African Rand

13 Appendix A

13.1. June 2022 Field Observations

Waypoint	Latitude	Longitude	y WGS84 UTM36S	x WGS84 UTM36S	Date	Photo Time	Observation
Field Camp	-16.302812	34.097401	8197253.57	617240.27	2022/06/20		
159	-16.307985	34.095928	8196682.10	617079.81	2022/06/22	11:19	MURC127 inclined borehole with plastic casing.
160	-16.308721	34.094237	8196601.65	616898.71	2022/06/22	11:25	MM035 and MM040. Two -90 boreholes with plastic casings.
161	-16.315232	34.096154	8195880.20	617099.65	2022/06/22	11:45	MM001. -90 borehole drilled between two previous Globe boreholes.
161	-16.315232	34.096154	8195880.20	617099.65	2022/06/22	11:47	View looking from MM001 west towards carbonatite hill with large cavities.
162	-16.315224	34.098404	8195879.79	617340.04	2022/06/22	11:53	Extremely weathered fenite on surface. Ferruginous with mustard yellow patches.
163	-16.316186	34.098489	8195773.31	617348.55	2022/06/22	11:59	MURC164 Globe borehole -90. Plastic casing but no number or cement marker.
164	-16.316606	34.099112	8195726.49	617414.86	2022/06/22	12:01	MM059 inclined borehole drilled towards S with plastic casing no markings or cement base. Target 1.
165	-16.317006	34.099754	8195681.87	617483.21	2022/06/22	12:07	MM062 inclined borehole with plastic casing but no marker or cement base.
166	-16.317681	34.100924	8195606.51	617607.81	2022/06/22	12:10	Typical elephant skin weathering of carbonatite with ankeritic/sideritic dissolution vugs.
167	-16.317885	34.101104	8195583.84	617626.92	2022/06/22	12:16	MRA14 inclined borehole with plastic casing but no number or cement marker.
168	-16.317097	34.097875	8195672.88	617282.41	2022/06/22	12:18	MRA15 and MRA32 inclined boreholes with casings but no numbers or cement marker blocks.
169	-16.31708	34.09698	8195675.27	617186.80	2022/06/22	12:31	MM061 inclined borehole SW into hill on Target 1. Plastic casing no marker or number.
170	-16.316664	34.096391	8195721.64	617124.12	2022/06/22	12:35	MM058 inclined borehole. Plastic casing no marker or number.
171	-16.316541	34.096275	8195735.31	617111.80	2022/06/22	12:42	MM055 borehole drilled on NE azimuth. Plastic casing no marker or number. Target 1 northern end of hill and soil anomaly.
172	-16.316524	34.097358	8195736.57	617227.52	2022/06/22		MM057 inclined borehole. Plastic casing no marker or number.
173	-16.320555	34.089563	8195295.07	616392.33	2022/06/22		MM030 inclined towards SE. Drilled on Target 5. Shallow soils -5m. Casing with marking in cement block.
174	-16.321306	34.090079	8195211.69	616447.01	2022/06/22		MM031. Casing with marking in cement block.
175	-16.322825	34.091281	8195042.95	616574.53	2022/06/22		MM033 inclined borehole with casing with marking in cement block.
176	-16.326122	34.091089	8194678.29	616552.07	2022/06/22	13:42	MM021 discovery borehole on Target 4. Casing with marking in cement block.
177	-16.326492	34.0912	8194637.29	616563.71	2022/06/22		MM048 inclined borehole. Plastic casing no marker or number.
178	-16.328823	34.094536	8194377.49	616918.71	2022/06/22		MRA07 inclined borehole on Target 7. Plastic casing no marker or number.
179	-16.328631	34.094749	8194398.61	616941.58	2022/06/22		MRA08 Plastic casing no marker or number.
180	-16.331499	34.092365	8194082.68	616685.20	2022/06/22	14:03	Photo looking from road towards cliff on Target 9 carbonatite.
181	-16.333412	34.092244	8193871.10	616671.13	2022/06/22	14:08	Photo from Target 9 looking past Target 4 towards barren hill just right with crater rim in background.
182	-16.333604	34.092414	8193849.76	616689.18	2022/06/22		MRA01 replaced by borehole MM075. Remained in fenite for 85m.
183	-16.325152	34.07778	8194793.17	615130.80	2022/06/23		Trench excavated by Beograd. Trench azimuth -055.
184	-16.325416	34.078264	8194763.69	615182.35	2022/06/23	13:34	MURC031 -90 borehole with casing and marked base.
185	-16.325779	34.078381	8194723.47	615194.64	2022/06/23	13:41	MURC047 -90 borehole with casing and marked base.
186	-16.325939	34.07865	8194705.61	615223.28	2022/06/23	13:47	1981? Trench excavated NM-SE through fluorite outcrop.
187	-16.325974	34.078804	8194701.65	615239.72	2022/06/23	13:52	Fluorite from excavated hole and trench mostly yellow-green.
188	-16.32509	34.078339	8194799.72	615190.56	2022/06/23	14:03	MURC021 -90 borehole with casing and marked base.
189	-16.324368	34.078137	8194879.71	615169.40	2022/06/23	14:07	MURC028 -90 borehole with casing and marked base.
190	-16.323578	34.077934	8194967.22	615148.17	2022/06/23	14:11	MURC028 -90 borehole with casing and marked base.
191	-16.327211	34.080529	8194563.82	615423.28	2022/06/23	14:32	Solution cavity cave in carbonatite locally called "Tontola".
192	-16.316919	34.092557	8195695.62	616714.35	2022/06/23	15:11	Views of NW end of Target 1 from road.

14 Appendix B

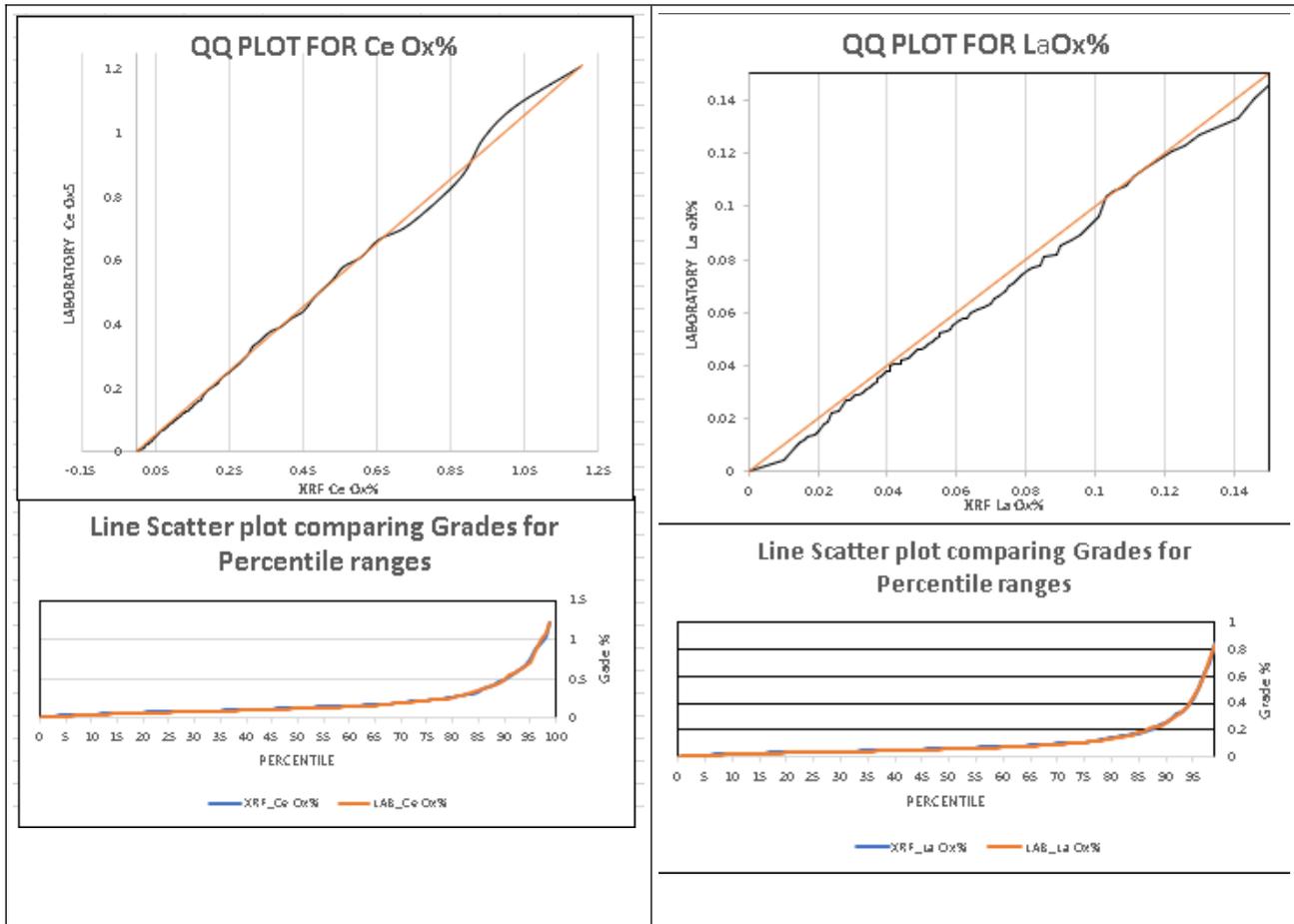


Table 14: CeO₂ % and La₂O₃ % QQ and Linear Scatter Plots.

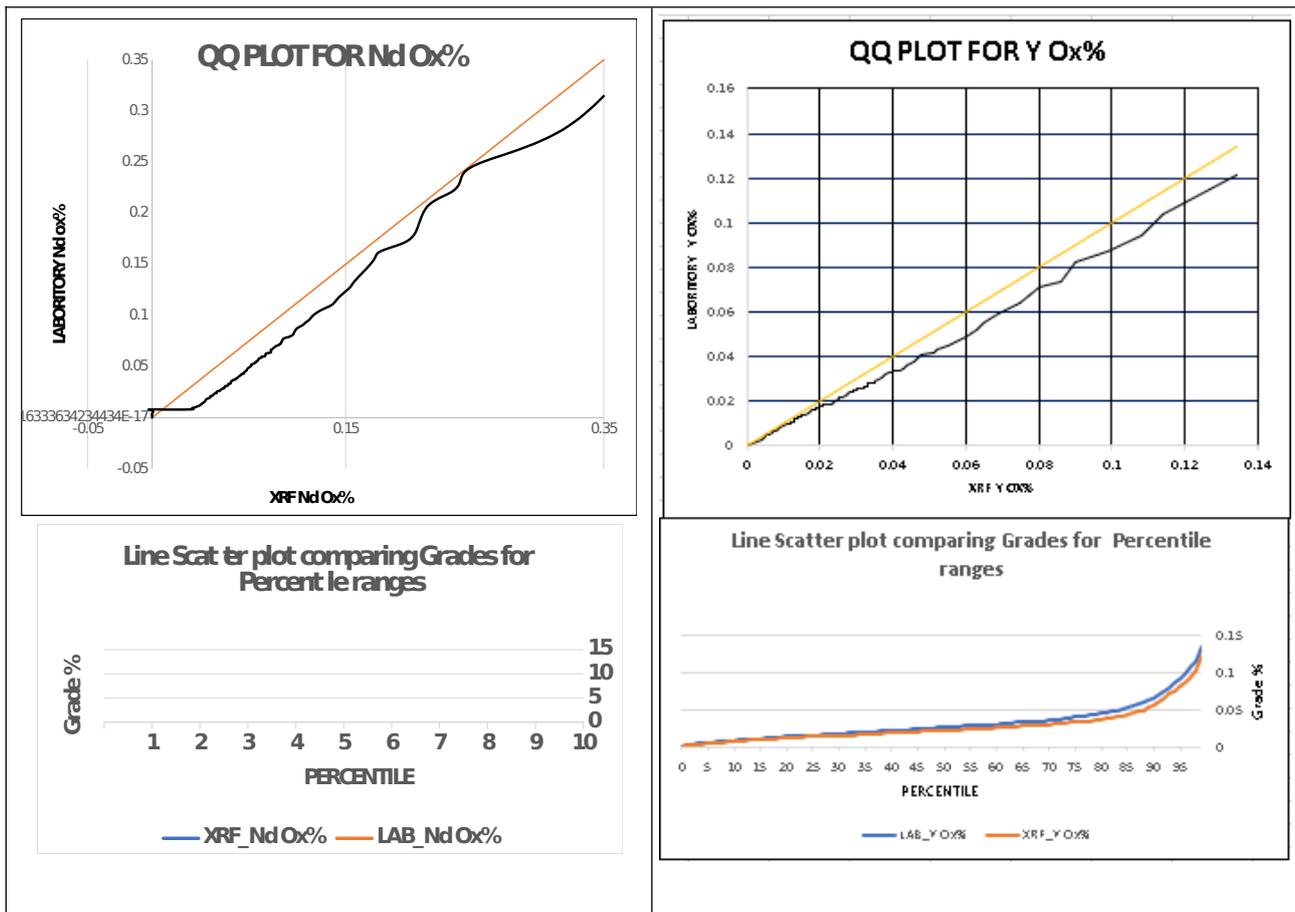


Table 15: Nd₂O₃ % and Y₂O₃ % QQ and Linear Scatter Plots.

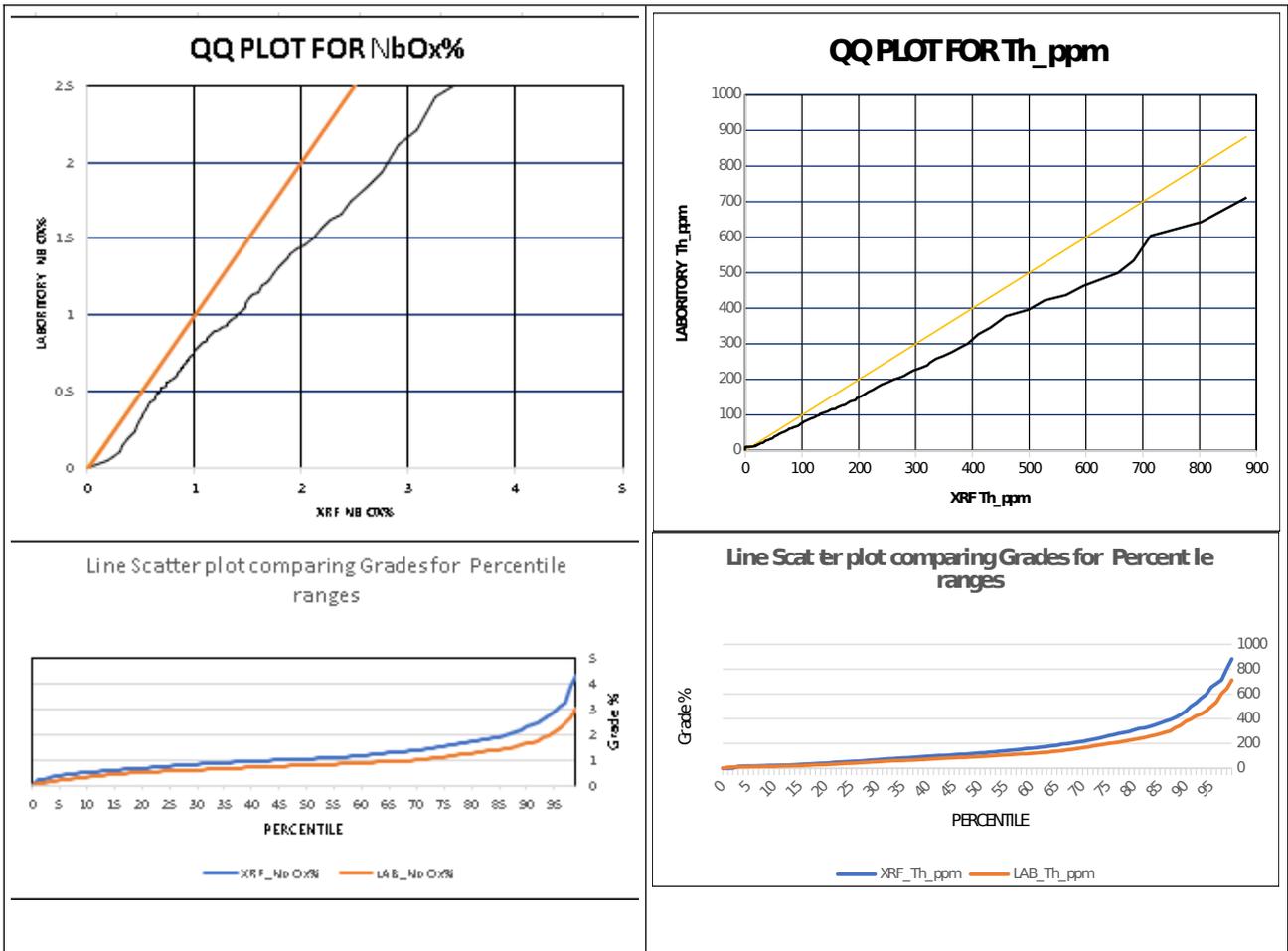


Table 16: Nb₂O₅ % and Th ppm QQ and Linear Scatter Plots.

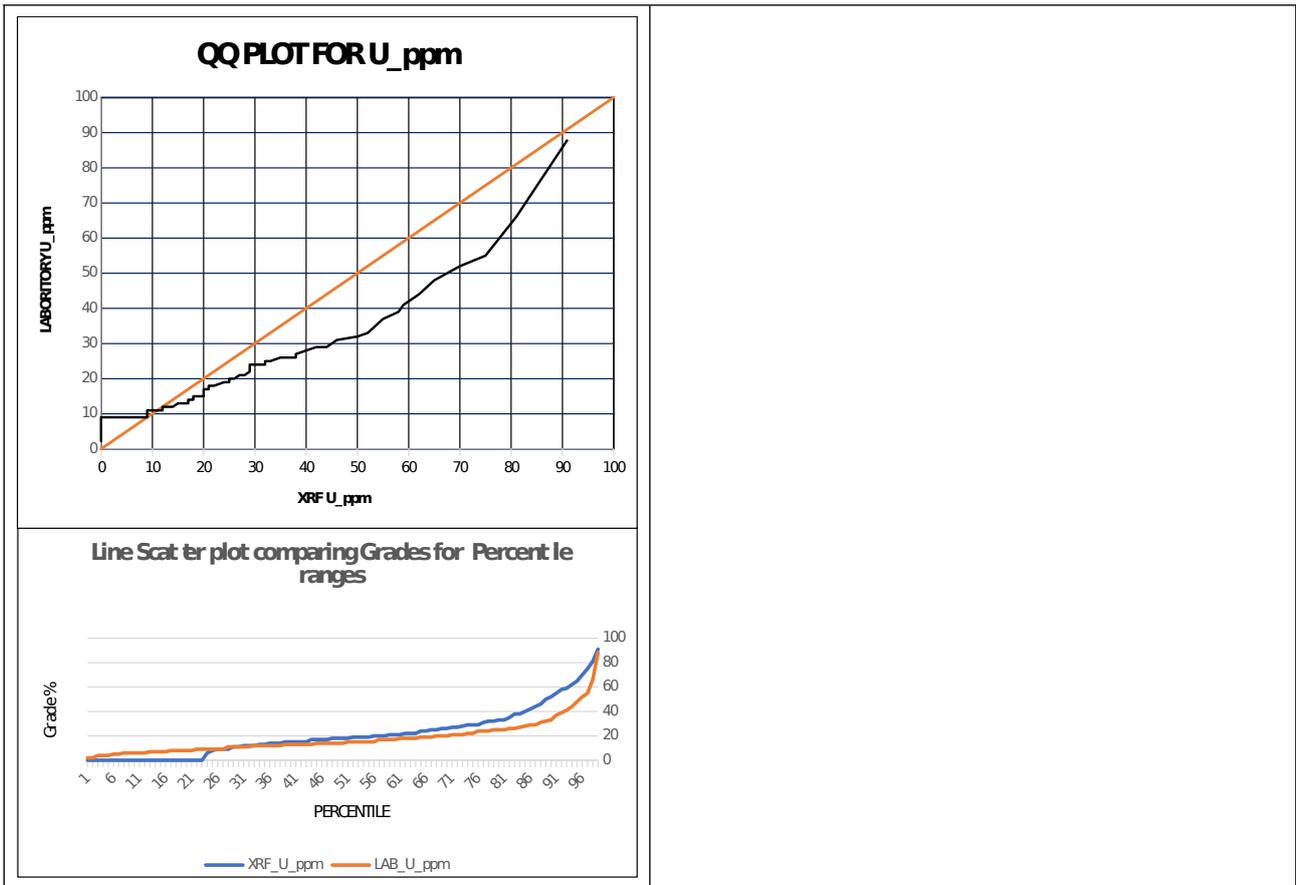


Table 17: U ppm QQ and Linear Scatter Plots.

15 Appendix C

15.1. Details of Exploration Target - Targets 1 and 4

TARGET 1 ORDINARY KRIGED INSIDE 0.5% TREO% GRADE SHELL													
DOMAIN	CATEGORY	DENSITY	TONNES	Mt	VOLUME	TREO%	CeO2%	La2O3%	Nd2O3%	Y2O3%	Nb2O5%	Th_ppm	U_ppm
INSIDE	1.0+	2.47	39,136,847	39.1	15,833,405	1.63	0.76	0.65	0.17	0.04	0.08	198.02	24.09
INSIDE	1.5+	2.50	20,232,302	20.2	8,094,327	1.98	0.93	0.82	0.20	0.04	0.06	205.52	27.38
INSIDE	2.0+	2.50	7,798,568	7.8	3,118,772	2.47	1.17	1.03	0.22	0.04	0.04	194.90	31.31
INSIDE	2.5+	2.50	3,179,675	3.2	1,269,802	2.86	1.36	1.22	0.24	0.04	0.03	185.43	35.72

TARGET 1 ORDINARY KRIGED INSIDE 1.0% TREO% GRADE SHELL													
DOMAIN	CATEGORY	DENSITY	TONNES	Mt	VOLUME	TREO%	CeO2%	La2O3%	Nd2O3%	Y2O3%	Nb2O5%	Th_ppm	U_ppm
INSIDE	1.0+	2.48	12,889,243	12.9	5,204,694	1.75	0.83	0.70	0.18	0.04	0.06	188.22	23.04
INSIDE	1.5+	2.50	7,833,448	7.8	3,137,772	2.06	0.99	0.83	0.20	0.04	0.05	191.54	25.84
INSIDE	2.0+	2.49	3,421,772	3.4	1,371,668	2.51	1.23	1.01	0.23	0.04	0.04	194.85	30.43
INSIDE	2.5+	2.50	1,578,832	1.6	632,321	2.87	1.38	1.19	0.25	0.04	0.03	193.46	33.12

TARGET 4 INVERSE DISTANCE POWER 3 0.5 TREO% GRADE SHELL													
DOMAIN	CATEGORY	DENSITY	TONNES	Mt	VOLUME	TREO%ID	CeO2%ID	La2O3%ID	Nd2O3%ID	Y2O3%ID	Nb2O5%ID	Th_ppmID	U_ppmID
INSIDE	1.0+	2.47	17,542,841	17.5	7,111,837	1.69	0.78	0.60	0.20	0.11	0.08	420.35	27.44
INSIDE	1.5+	2.50	10,802,386	10.8	4,326,790	1.98	0.92	0.72	0.22	0.11	0.05	380.42	28.74
INSIDE	2.0+	2.49	3,736,632	3.7	1,501,749	2.35	1.12	0.90	0.23	0.11	0.04	359.77	32.04
INSIDE	2.5+	2.48	1,987,012	2.0	801,718	2.57	1.23	0.98	0.24	0.12	0.04	376.01	32.35

TARGET 4 INVERSE DISTANCE POWER 3 1.0% TREO% GRADE SHELL													
DOMAIN	CATEGORY	DENSITY	TONNES	Mt	VOLUME	TREO%ID	CeO2%ID	La2O3%ID	Nd2O3%ID	Y2O3%ID	Nb2O5%ID	Th_ppmID	U_ppmID
INSIDE	1.0+	2.50	8,757,178	8.8	3,509,749	1.86	0.87	0.67	0.21	0.11	0.07	399.71	26.44
INSIDE	1.5+	2.50	6,560,675	6.6	2,626,649	2.06	0.97	0.76	0.22	0.11	0.05	381.73	27.56
INSIDE	2.0+	2.49	3,034,236	3.0	1,218,663	2.37	1.13	0.90	0.23	0.11	0.04	372.35	29.80
INSIDE	2.5+	2.47	849,673	0.8	343,826	2.80	1.35	1.08	0.25	0.11	0.03	373.17	33.01

16 Appendix D

16.1. Borehole Database as at 05 July 2022

BHID	XCOLLAR	YCOLLAR	ZCOLLAR	EOH	DATATYPE	DIP	BEARING	LOGS PRESENT	COLLAR	SURVEY	ASSAYS	LITHOLOG	MODEL2022
MM001	617096.99	8195880.88	553.94	149.55	DD2021	-90	84	ALL LOGS	1	24	216	206	T1MODEL
MM002	616977.39	8195933.19	534.51	70.00	RC2021	-89	189	ALL LOGS	1	12	24	34	T1MODEL
MM003	616967.79	8195836.77	536.02	70.00	RC2021	-89	132	ALL LOGS	1	12	23	36	T1MODEL
MM004	616964.88	8195732.12	529.30	70.00	RC2021	-90	102	ALL LOGS	1	12	24	41	T1MODEL
MM005	617486.47	8195969.07	558.70	70.00	RC2021	-59	35	ALL LOGS	1	11	24	15	T1MODEL
MM006	617502.71	8196008.36	558.33	70.00	RC2021	-59	31	ALL LOGS	1	12	24	21	T1MODEL
MM007	617525.57	8196047.85	558.68	149.34	DD2021	-57	22	NO ASSAYS	1	19		225	T1MODEL
MM008	617545.85	8196083.59	560.27	70.00	RC2021	-59	29	ALL LOGS	1	12	24	10	T1MODEL
MM009	617566.48	8196123.86	560.17	70.00	RC2021	-55	27	ALL LOGS	1	1	23	28	T1MODEL
MM011	617549.46	8195425.27	535.50	70.00	RC2021	-57	94	ALL LOGS	1	9	24	18	T1MODEL
MM012	617594.56	8195428.12	531.10	70.00	RC2021	-90	0	ALL LOGS	1	1	24	31	T1MODEL
MM013	617646.47	8195425.63	535.60	70.00	RC2021	-90	0	ALL LOGS	1	1	24	29	T1MODEL
MM014	617696.70	8195428.24	539.00	70.00	RC2021	-57	90	ALL LOGS	1	10	24	24	T1MODEL
MM015	617376.05	8194987.97	512.90	70.00	RC2021	-56	87	ALL LOGS	1	11	24	17	
MM016	617425.09	8194987.70	513.70	70.00	RC2021	-55	85	ALL LOGS	1	11	24	19	
MM017	617475.08	8194986.22	513.60	70.00	RC2021	-56	91	ALL LOGS	1	11	24	18	
MM019	617573.05	8194985.02	518.00	70.00	RC2021	-90	0	ALL LOGS	1	1	23	12	
MM021	616549.38	8194676.20	497.00	96.00	RC2021	-59	229	ALL LOGS	1	11	33	31	T4MODEL
MM025	616107.11	8195702.19	537.70	70.00	RC2021	-55	145	ALL LOGS	1	1	23	17	
MM026	616160.10	8195621.47	533.50	42.00	RC2021	-55	145	ALL LOGS	1	1	13	14	
MM027	616219.27	8195537.52	527.10	70.00	RC2021	-58	145	ALL LOGS	1	12	24	21	
MM028	616277.92	8195456.55	522.70	70.00	RC2021	-55	145	ALL LOGS	1	1	23	17	
MM029	616335.39	8195375.92	518.30	70.00	RC2021	-58	151	ALL LOGS	1	4	25	8	
MM030	616390.40	8195292.98	515.80	70.00	RC2021	-57	135	ALL LOGS	1	3	24	22	T4MODEL

Monte Muambe REE - Mozambique

MM031	616448.81	8195208.47	507.70	70.00	RC2021	-55	145	ALL LOGS	1	1	24	18	T4MODEL
MM032	616508.01	8195129.16	504.20	70.00	RC2021	-57	149	ALL LOGS	1	5	24	15	T4MODEL
MM033	616574.62	8195038.96	508.30	70.00	RC2021	-55	145	ALL LOGS	1	1	23	12	T4MODEL
MM034	616624.88	8194968.77	512.10	70.00	RC2021	-55	145	ALL LOGS	1	1	23	19	T4MODEL
MM035	616900.42	8196601.75	539.28	38.91	DD2021	-55	145	COLLAR AND LITHOLOG	1			63	
MM036	616957.51	8196529.75	537.22	70.00	RC2021	-90	0	ALL LOGS	1	1	24	17	
MM037	616841.94	8196655.39	547.82	70.00	RC2021	-88	286	ALL LOGS	1	11	24	21	
MM038	616838.85	8196557.82	546.80	70.00	RC2021	-90	0	ALL LOGS	1	1	24	21	
MM039	615146.57	8194967.46	578.48	100.00	DD2021	-90	351	ALL LOGS	1	12	167	195	
MM040	616899.02	8196599.43	541.20	152.47	DD2021	-90	66	ALL LOGS	1	19	252	216	
MM041	617524.48	8194974.00	516.30	70.00	RC2021	-55	90	ALL LOGS	1	1	24	28	
MM042	617621.04	8195010.21	526.90	70.00	RC2021	-55	90	ALL LOGS	1	1	24	23	
MM043	617058.65	8195943.60	533.70	70.00	RC2021	-89	41	ALL LOGS	1	11	24	35	T1MODEL
MM044	616895.39	8195903.65	521.50	70.00	RC2021	-90	0	ALL LOGS	1	1	25	29	T1MODEL
MM045	616881.09	8195788.00	514.40	70.00	RC2021	-90	0	ALL LOGS	1	1	24	34	T1MODEL
MM046	616748.90	8196598.80	540.00	70.00	RC2021	-90	0	ALL LOGS	1	1	24	28	
MM047	617072.50	8196592.64	538.50	70.00	RC2021	-87	79	ALL LOGS	1	12	24	18	
MM048	616565.00	8194641.00	510.00	84.00	RC2022	-55	224	NO LITHOLOG	1	1	83		T4MODEL
MM049	616514.00	8194584.00	530.00	84.00	RC2022	-55	224	ALL LOGS	1	1	83	34	T4MODEL
MM050	616456.00	8194544.00	532.00	84.00	RC2022	-55	224	ALL LOGS	1	1	84	25	T4MODEL
MM051	616399.00	8194699.00	524.00	85.00	RC2022	-55	224	ALL LOGS	1	1	85	51	T4MODEL
MM052	616349.00	8194649.00	519.00	80.00	RC2022	-55	224	ALL LOGS	1	1	78	40	T4MODEL
MM055	617124.00	8195720.00	611.00	84.00	RC2022	-55	33	NO LITHOLOG	1	1	82		T1MODEL
MM056	617264.00	8195794.00	519.00	84.00	RC2022	-55	213	ALL LOGS	1	1	84	28	T1MODEL
MM057	617226.00	8195738.00	596.00	85.00	RC2022	-55	213	ALL LOGS	1	1	85	36	T1MODEL
MM058	617187.00	8195674.00	619.00	84.77	RC2022	-55	213	NO LITHOLOG	1	1	85		T1MODEL
MM059	617349.00	8195774.00	579.00	84.00	RC2022	-55	213	ALL LOGS	1	1	84	21	T1MODEL
MM060	617318.00	8195727.00	583.00	78.70	RC2022	-55	213	NO LITHOLOG	1	1	79		T1MODEL
MM061	617283.00	8195672.00	600.00	85.00	RC2022	-55	213	NO LITHOLOG	1	1	85		T1MODEL
MM062	617416.00	8195726.00	577.00	84.00	RC2022	-55	213	NO LITHOLOG	1	1	84		T1MODEL

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MM075	616690.00	8193848.00	519.00	0.00	RC2022	-55	90	NO LITHOLOG	1	1	85	
MRA07	616919.00	8194375.00	500.00	24.75	RAB2022	-55	45	ALL LOGS	1	1	25	T4MODEL
MRA08	616941.00	8194397.00	501.00	24.75	RAB2022	-55	45	ALL LOGS	1	1	25	T4MODEL
MRA09	616962.00	8194419.00	500.00	18.75	RAB2022	-55	45	ALL LOGS	1	1	19	T4MODEL
MRA10	616985.00	8194438.00	508.00	24.75	RAB2022	-55	45	ALL LOGS	1	1	25	T4MODEL
MRA11	617000.00	8194460.00	512.00	24.92	RAB2022	-55	45	ALL LOGS	1	1	25	T4MODEL
MRA12	617026.00	8194483.00	511.00	24.00	RAB2022	-55	45	ALL LOGS	1	1	24	T4MODEL
MRA13	617050.00	8194504.00	508.00	24.00	RAB2022	-55	45	ALL LOGS	1	1	24	T4MODEL
MRA14	617605.00	8195607.00	547.00	25.00	RAB2022	-55	135	ALL LOGS	1	1	25	T1MODEL
MRA15	617626.00	8195588.00	540.00	7.00	RAB2022	-55	135	ALL LOGS	1	1	5	T1MODEL
MRA16	617646.00	8195565.00	550.00	25.00	RAB2022	-55	135	ALL LOGS	1	1	24	T1MODEL
MRA17	617669.00	8195543.00	549.00	25.00	RAB2022	-55	135	ALL LOGS	1	1	24	T1MODEL
MRA18	617690.00	8195522.00	548.00	25.00	RAB2022	-55	135	ALL LOGS	1	1	23	T1MODEL
MRA19	617676.00	8195678.00	549.00	25.00	RAB2022	-55	135	ALL LOGS	1	1	25	T1MODEL
MRA20	617698.00	8195658.00	547.00	25.00	RAB2022	-55	135	ALL LOGS	1	1	25	T1MODEL
MRA21	617719.00	8195636.00	548.00	24.37	RAB2022	-55	135	ALL LOGS	1	1	24	T1MODEL
MRA22	617740.00	8195616.00	544.00	24.40	RAB2022	-55	135	ALL LOGS	1	1	23	T1MODEL
MRA23	617761.00	8195596.00	542.00	24.40	RAB2022	-55	135	ALL LOGS	1	1	23	T1MODEL
MRA24	616418.00	8193870.00	509.00	24.75	RAB2022	-55	90	ALL LOGS	1	1	24	
MRA25	616426.00	8193842.00	512.00	12.82	RAB2022	-55	90	ALL LOGS	1	1	9	
MRA26	616425.00	8193811.00	513.00	24.86	RAB2022	-55	90	ALL LOGS	1	1	25	
MRA27	616423.00	8193782.00	516.00	24.46	RAB2022	-55	90	ALL LOGS	1	1	24	
MRA28	616426.00	8193749.00	507.00	24.48	RAB2022	-55	90	ALL LOGS	1	1	24	
MRA29	616420.00	8193724.00	517.00	24.00	RAB2022	-55	90	ALL LOGS	1	1	23	
MRA30	616425.00	8193691.00	519.00	24.62	RAB2022	-55	90	ALL LOGS	1	1	25	
MRA31	616419.00	8193663.00	518.00	24.75	RAB2022	-55	90	ALL LOGS	1	1	25	
MRA32	617624.00	8195583.00	553.00	13.00	RAB2022	-55	135	ALL LOGS	1	1	13	T1MODEL
MURC001	615252.55	8194698.84	531.75	103.00	LEGACY	-55	270	ALL LOGS	1	1	103	
MURC002	615217.33	8194658.48	527.94	85.00	LEGACY	-55	90	NO ASSAYS	1	1	82	
MURC003	615237.48	8194817.97	552.54	60.00	LEGACY	-55	270	NO ASSAYS	1	1	60	

MURC004	615202.04	8194781.96	556.27	60.00	LEGACY	-55	90	NO ASSAYS	1	1	1	60
MURC005	615177.30	8194820.15	562.48	70.00	LEGACY	-55	270	NO ASSAYS	1	1	1	70
MURC006	615182.00	8194859.00	570.00	74.00	LEGACY	-55	270	NO ASSAYS	1	1	1	74
MURC007	615207.63	8194859.74	559.69	22.00	LEGACY	-90	0	NO ASSAYS	1	1	1	22
MURC008	615197.53	8194860.65	561.40	25.00	LEGACY	-90	0	NO ASSAYS	1	1	1	25
MURC009	615207.58	8194842.48	558.97	43.00	LEGACY	-90	0	NO ASSAYS	1	1	1	43
MURC010	615208.50	8194820.88	557.97	64.00	LEGACY	-90	0	NO ASSAYS	1	1	1	64
MURC011	615208.66	8194800.74	556.48	64.00	LEGACY	-90	0	ALL LOGS	1	1	58	64
MURC012	615198.66	8194850.59	560.50	120.00	LEGACY	-55	180	NO ASSAYS	1	1	1	120
MURC013	615162.83	8194779.04	559.02	100.00	LEGACY	-55	360	ALL LOGS	1	1	99	100
MURC014	615215.03	8194898.95	561.98	46.00	LEGACY	-55	270	NO ASSAYS	1	1	1	46
MURC015	615210.33	8194879.53	561.56	90.00	LEGACY	-90	0	NO ASSAYS	1	1	1	90
MURC016	615190.77	8194879.39	564.08	95.00	LEGACY	-90	0	NO ASSAYS	1	1	1	95
MURC017	615219.70	8194838.62	556.64	85.00	LEGACY	-90	0	NO ASSAYS	1	1	1	85
MURC018	615196.43	8194838.66	560.43	90.00	LEGACY	-90	0	ALL LOGS	1	1	18	90
MURC019	615179.69	8194838.93	562.36	100.00	LEGACY	-90	0	ALL LOGS	1	1	15	100
MURC020	615230.96	8194799.74	553.79	86.00	LEGACY	-90	0	ALL LOGS	1	1	36	86
MURC021	615189.92	8194799.50	559.68	100.00	LEGACY	-90	0	ALL LOGS	1	1	41	100
MURC022	615168.73	8194799.76	562.48	101.00	LEGACY	-90	0	ALL LOGS	1	1	28	101
MURC023	615156.77	8194837.82	565.21	61.00	LEGACY	-90	0	NO ASSAYS	1	1	1	61
MURC024	615139.74	8194837.94	565.29	18.00	LEGACY	-90	0	NO ASSAYS	1	1	1	18
MURC025	615117.82	8194840.08	561.28	88.00	LEGACY	-90	0	NO ASSAYS	1	1	1	88
MURC026	615129.44	8194878.60	566.85	103.00	LEGACY	-90	0	NO ASSAYS	1	1	1	103
MURC027	615148.24	8194879.22	567.99	100.00	LEGACY	-90	0	NO ASSAYS	1	1	1	100
MURC028	615168.90	8194879.12	566.69	55.00	LEGACY	-90	0	NO ASSAYS	1	1	1	55
MURC029	615239.05	8194760.58	548.04	95.00	LEGACY	-90	0	ALL LOGS	1	1	17	95
MURC030	615223.12	8194759.13	549.21	84.00	LEGACY	-90	0	ALL LOGS	1	1	27	84
MURC031	615179.75	8194759.48	556.95	100.00	LEGACY	-90	0	NO ASSAYS	1	1	1	100
MURC032	615198.64	8194758.46	553.71	95.00	LEGACY	-90	0	NO ASSAYS	1	1	1	95

MURC033	615158.56	8194759.80	556.30	100.00	LEGACY	-90	0	NO ASSAYS	1	1	1	100
MURC034	615139.03	8194757.91	552.99	100.00	LEGACY	-90	0	NO ASSAYS	1	1	1	100
MURC035	615149.87	8194799.02	561.72	100.00	LEGACY	-90	0	ALL LOGS	1	1	97	100
MURC036	615099.71	8194999.69	582.09	90.00	LEGACY	-90	0	ALL LOGS	1	1	87	90
MURC037	615138.41	8194999.56	583.32	84.00	LEGACY	-90	0	ALL LOGS	1	1	82	84
MURC038	615179.92	8194999.57	579.55	90.00	LEGACY	-90	0	ALL LOGS	1	1	90	90
MURC039	615241.34	8195002.15	569.62	74.00	LEGACY	-90	0	ALL LOGS	1	1	74	74
MURC040	615189.59	8194960.06	574.27	90.00	LEGACY	-90	0	ALL LOGS	1	1	89	90
MURC041	615168.07	8194959.10	577.77	90.00	LEGACY	-90	0	ALL LOGS	1	1	90	90
MURC042	615149.35	8194959.19	578.48	90.00	LEGACY	-90	0	ALL LOGS	1	1	90	90
MURC043	615209.43	8194959.68	569.76	22.00	LEGACY	-90	0	NO ASSAYS	1	1	22	22
MURC044	615129.57	8194958.56	577.48	90.00	LEGACY	-90	0	ALL LOGS	1	1	72	90
MURC045	615239.65	8194838.24	553.51	80.00	LEGACY	-90	0	ALL LOGS	1	1	79	80
MURC046	615278.90	8194798.91	542.88	70.00	LEGACY	-90	0	ALL LOGS	1	1	70	70
MURC047	615192.25	8194719.73	545.56	95.00	LEGACY	-90	0	ALL LOGS	1	1	95	95
MURC048	615209.95	8194720.14	543.06	95.00	LEGACY	-90	0	ALL LOGS	1	1	51	95
MURC049	615250.40	8194720.47	534.64	94.00	LEGACY	-90	0	ALL LOGS	1	1	92	94
MURC050	615228.68	8194720.37	539.30	95.00	LEGACY	-90	0	ALL LOGS	1	1	91	95
MURC051	615182.35	8194678.50	536.30	90.00	LEGACY	-90	0	ALL LOGS	1	1	87	90
MURC052	615197.69	8194679.11	536.05	95.00	LEGACY	-90	0	ALL LOGS	1	1	88	95
MURC053	615219.76	8194680.16	533.69	95.00	LEGACY	-90	0	ALL LOGS	1	1	95	95
MURC054	615236.44	8194679.43	532.04	95.00	LEGACY	-90	0	ALL LOGS	1	1	72	95
MURC055	615259.32	8194680.03	529.05	90.00	LEGACY	-90	0	ALL LOGS	1	1	82	90
MURC056	615239.07	8194357.40	555.02	79.00	LEGACY	-90	0	ALL LOGS	1	1	29	79
MURC057	615259.70	8194359.05	555.62	28.00	LEGACY	-90	0	NO ASSAYS	1	1	28	28
MURC058	615298.28	8194360.34	558.77	34.00	LEGACY	-90	0	ALL LOGS	1	1	32	34
MURC059	615342.06	8194360.80	559.81	28.00	LEGACY	-90	0	ALL LOGS	1	1	25	28
MURC060	615198.09	8194360.28	552.83	37.00	LEGACY	-90	0	ALL LOGS	1	1	37	37
MURC061	615360.48	8194360.77	559.66	28.00	LEGACY	-90	0	NO ASSAYS	1	1	28	28
MURC062	615320.52	8194360.23	559.71	50.00	LEGACY	-55	90	ALL LOGS	1	1	42	50
MURC063	615189.50	8194397.93	545.80	60.00	LEGACY	-90	0	ALL LOGS	1	1	33	60

MURC064	615209.74	8194399.96	546.33	60.00	LEGACY	-90	0	ALL LOGS	1	1	33	60
MURC065	615228.62	8194399.45	548.62	58.00	LEGACY	-90	0	NO ASSAYS	1	1		58
MURC066	615160.43	8194439.62	532.71	79.00	LEGACY	-90	0	ALL LOGS	1	1	78	79
MURC067	615177.80	8194439.70	535.31	43.00	LEGACY	-90	0	ALL LOGS	1	1	24	43
MURC068	615199.18	8194439.83	539.17	40.00	LEGACY	-90	0	ALL LOGS	1	1	25	40
MURC069	615139.14	8194439.97	529.93	76.00	LEGACY	-90	0	ALL LOGS	1	1	68	76
MURC070	615148.86	8194480.01	527.40	46.00	LEGACY	-90	0	ALL LOGS	1	1	46	46
MURC071	615167.52	8194480.00	530.03	46.00	LEGACY	-90	0	ALL LOGS	1	1	46	46
MURC072	616236.23	8194877.53	495.53	150.00	LEGACY	-90	180	ALL LOGS	1	1	38	150 T4MODEL
MURC073	616202.00	8194798.00	496.00	150.00	LEGACY	-90	180	ALL LOGS	1	1	38	150 T4MODEL
MURC074	616121.19	8194799.58	491.39	150.00	LEGACY	-90	180	ALL LOGS	1	1	38	150 T4MODEL
MURC075	616241.69	8194718.73	497.25	150.00	LEGACY	-90	180	ALL LOGS	1	1	38	150 T4MODEL
MURC076	616197.36	8194639.12	489.86	150.00	LEGACY	-90	180	ALL LOGS	1	1	38	150 T4MODEL
MURC077	615219.12	8195699.37	556.75	57.00	LEGACY	-55	90	NO ASSAYS	1	1		57
MURC078	615139.41	8195699.96	565.17	50.00	LEGACY	-55	90	NO ASSAYS	1	1		50
MURC079	615302.54	8195699.66	543.61	30.00	LEGACY	-55	90	NO ASSAYS	1	1		30
MURC080	615378.63	8195699.32	532.65	70.00	LEGACY	-55	90	NO ASSAYS	1	1		70
MURC081	615458.90	8195699.99	525.30	70.00	LEGACY	-55	90	NO ASSAYS	1	1		70
MURC082	616681.56	8196159.61	509.85	58.00	LEGACY	-55	180	ALL LOGS	1	1	15	58 T1MODEL
MURC083	616560.78	8196045.08	513.20	40.00	LEGACY	-55	180	ALL LOGS	1	1	10	40 T1MODEL
MURC084	616602.89	8196082.83	509.49	30.00	LEGACY	-55	180	ALL LOGS	1	1	8	30 T1MODEL
MURC085	616638.38	8196125.94	510.78	67.00	LEGACY	-55	180	ALL LOGS	1	1	17	67 T1MODEL
MURC086	616685.74	8196087.15	507.79	58.00	LEGACY	-55	180	ALL LOGS	1	1	15	58 T1MODEL
MURC087	616682.71	8196004.24	506.27	40.00	LEGACY	-55	180	ALL LOGS	1	1	9	40 T1MODEL
MURC088	616681.19	8195923.31	508.18	19.00	LEGACY	-55	180	ALL LOGS	1	1	5	19 T1MODEL
MURC089	616601.18	8195904.97	512.44	28.00	LEGACY	-55	180	ALL LOGS	1	1	7	28 T1MODEL
MURC090	616680.75	8195905.29	514.02	31.00	LEGACY	-55	180	ALL LOGS	1	1	7	31 T1MODEL
MURC091	616562.50	8195943.11	515.14	70.00	LEGACY	-55	180	ALL LOGS	1	1	18	70 T1MODEL
MURC092	616541.52	8195964.06	515.54	19.00	LEGACY	-55	180	ALL LOGS	1	1	5	19 T1MODEL

MURC093	615680.22	8196263.79	534.63	72.00	LEGACY	-55	180	ALL LOGS	1	1	18	72
MURC094	615642.87	8196242.33	535.32	73.00	LEGACY	-55	180	ALL LOGS	1	1	18	73
MURC095	615600.71	8196222.69	534.31	70.00	LEGACY	-55	180	ALL LOGS	1	1	18	70
MURC096	615563.32	8196202.40	531.48	66.00	LEGACY	-55	180	ALL LOGS	1	1	17	66
MURC097	617038.76	8196080.67	529.62	40.00	LEGACY	-55	180	ALL LOGS	1	1	9	40
MURC098	617039.29	8196119.28	528.87	50.00	LEGACY	-55	180	ALL LOGS	1	1	13	50
MURC099	617038.66	8196161.88	529.88	70.00	LEGACY	-55	180	ALL LOGS	1	1	18	70
MURC100	617041.01	8196201.04	531.67	61.00	LEGACY	-55	180	ALL LOGS	1	1	16	61
MURC101	617038.01	8196238.67	534.31	52.00	LEGACY	-55	180	ALL LOGS	1	1	13	52
MURC102	617119.42	8196157.80	529.82	59.00	LEGACY	-55	180	ALL LOGS	1	1	15	59
MURC103	617121.44	8196196.51	532.00	70.00	LEGACY	-55	180	ALL LOGS	1	1	28	70
MURC104	617122.52	8196238.44	535.75	60.00	LEGACY	-55	180	ALL LOGS	1	1	14	60
MURC105	617180.42	8196176.39	533.30	60.00	LEGACY	-55	180	ALL LOGS	1	1	15	60
MURC106	617119.74	8196098.05	529.25	49.00	LEGACY	-55	180	ALL LOGS	1	1	17	49
MURC107	617179.38	8196022.83	542.26	50.00	LEGACY	-55	180	ALL LOGS	1	1	12	50
MURC108	617219.63	8195958.89	549.95	40.00	LEGACY	-55	180	ALL LOGS	1	1	10	40
MURC109	617141.11	8195959.20	545.87	52.00	LEGACY	-55	180	ALL LOGS	1	1	13	52
MURC110	616602.40	8196277.57	513.41	70.00	LEGACY	-55	180	ALL LOGS	1	1	18	70
MURC111	616642.72	8196244.99	512.01	70.00	LEGACY	-55	180	ALL LOGS	1	1	18	70
MURC112	616680.67	8196201.18	510.47	58.00	LEGACY	-55	180	ALL LOGS	1	1	15	58
MURC113	616599.77	8196011.59	512.26	50.00	LEGACY	-55	180	ALL LOGS	1	1	13	50
MURC114	617341.11	8196177.63	550.71	49.00	LEGACY	-55	180	ALL LOGS	1	1	13	49
MURC115	617179.05	8195881.99	559.92	61.00	LEGACY	-55	180	ALL LOGS	1	1	24	61
MURC116	617300.64	8195962.21	552.15	60.00	LEGACY	-55	180	ALL LOGS	1	1	25	60
MURC117	617261.31	8195881.10	562.56	61.00	LEGACY	-55	180	ALL LOGS	1	1	21	61
MURC118	617235.05	8196084.16	540.26	50.00	LEGACY	-55	180	ALL LOGS	1	1	13	50
MURC119	617058.64	8195883.30	546.84	49.00	LEGACY	-55	180	ALL LOGS	1	1	25	49
MURC120	615442.10	8196143.96	533.65	64.00	LEGACY	-55	90	ALL LOGS	1	1	16	64
MURC121	615402.15	8196144.10	537.98	60.00	LEGACY	-55	90	ALL LOGS	1	1	15	60
MURC122	615364.41	8196144.40	537.00	60.00	LEGACY	-55	90	ALL LOGS	1	1	20	60
MURC123	615322.18	8196143.09	538.68	60.00	LEGACY	-55	90	ALL LOGS	1	1	15	60

MURC124	616958.21	8196639.28	546.68	70.00	LEGACY	-55	180	ALL LOGS	1	1	35	70
MURC125	616998.49	8196679.77	553.54	70.00	LEGACY	-55	180	ALL LOGS	1	1	18	70
MURC126	617044.21	8196717.48	558.38	60.00	LEGACY	-55	180	ALL LOGS	1	1	15	60
MURC127	617079.70	8196679.67	554.28	70.00	LEGACY	-55	180	ALL LOGS	1	1	18	70
MURC128	617088.64	8196754.19	562.47	70.00	LEGACY	-55	180	ALL LOGS	1	1	18	70
MURC129	617120.51	8196719.94	558.53	70.00	LEGACY	-55	180	ALL LOGS	1	1	18	70
MURC130	617156.38	8196753.72	560.42	70.00	LEGACY	-55	180	ALL LOGS	1	1	18	70
MURC131	617196.24	8196773.64	566.19	70.00	LEGACY	-55	180	ALL LOGS	1	1	18	70
MURC132	615199.42	8195666.00	556.68	70.00	LEGACY	-55	90	ALL LOGS	1	1	25	70
MURC133	615237.40	8195669.24	552.47	70.00	LEGACY	-55	90	ALL LOGS	1	1	27	70
MURC134	615261.02	8195707.03	545.33	70.00	LEGACY	-55	90	ALL LOGS	1	1	18	70
MURC135	615285.67	8195665.52	543.76	70.00	LEGACY	-55	90	ALL LOGS	1	1	18	70
MURC136	615316.12	8195663.75	539.68	75.00	LEGACY	-55	90	ALL LOGS	1	1	25	75
MURC137	615066.08	8195569.06	578.23	70.00	LEGACY	-55	90	ALL LOGS	1	1	18	70
MURC138	615087.36	8195585.90	581.02	80.00	LEGACY	-55	90	ALL LOGS	1	1	20	80
MURC139	615119.50	8195581.72	576.82	70.00	LEGACY	-55	90	ALL LOGS	1	1	18	70
MURC140	615602.78	8195502.74	509.44	250.00	LEGACY	-90	0	ALL LOGS	1	1	61	250
MURC141	616401.56	8194155.49	477.07	200.00	LEGACY	-55	225	ALL LOGS	1	1	55	200 T4MODEL
MURC142	616471.45	8194223.25	475.61	200.00	LEGACY	-55	225	ALL LOGS	1	1	50	200 T4MODEL
MURC143	615717.00	8195780.00	525.00	70.00	LEGACY	-55	90	ALL LOGS	1	1	18	70
MURC144	615249.00	8195864.00	551.00	73.00	LEGACY	-55	90	ALL LOGS	1	1	18	73
MURC145	615399.00	8195778.00	543.00	100.00	LEGACY	-55	90	ALL LOGS	1	1	25	100
MURC146	615319.00	8195779.00	551.00	79.00	LEGACY	-55	90	ALL LOGS	1	1	20	79
MURC147	615439.00	8195738.00	540.00	70.00	LEGACY	-55	90	ALL LOGS	1	1	18	70
MURC148	615500.00	8195701.00	535.00	100.00	LEGACY	-55	90	ALL LOGS	1	1	25	100
MURC149	615519.00	8195733.00	534.00	70.00	LEGACY	-55	90	ALL LOGS	1	1	18	70

MURC150	615601.00	8195655.00	531.00	80.00	LEGACY	-55	90	ALL LOGS	1	1	20	80
MURC151	615519.00	8195658.00	534.00	88.00	LEGACY	-55	90	ALL LOGS	1	1	23	88
MURC152	615539.00	8195793.00	532.00	70.00	LEGACY	-55	90	ALL LOGS	1	1	18	70
MURC153	615578.00	8195795.00	531.00	82.00	LEGACY	-55	90	ALL LOGS	1	1	21	82
MURC154	615518.00	8195813.00	536.00	70.00	LEGACY	-55	90	ALL LOGS	1	1	18	70
MURC155	615638.00	8195837.00	533.00	70.00	LEGACY	-55	90	ALL LOGS	1	1	18	70
MURC156	615641.00	8195774.00	532.00	70.00	LEGACY	-55	90	ALL LOGS	1	1	18	70
MURC157	615597.00	8195739.00	532.00	70.00	LEGACY	-55	90	ALL LOGS	1	1	18	70
MURC158	615621.00	8195698.00	529.00	82.00	LEGACY	-55	90	ALL LOGS	1	1	21	82
MURC159	615703.00	8195700.00	528.00	70.00	LEGACY	-55	90	ALL LOGS	1	1	18	70
MURC160	615439.00	8195657.00	536.00	70.00	LEGACY	-55	90	ALL LOGS	1	1	18	70
MURC161	615421.00	8195698.00	540.00	200.00	LEGACY	-55	90	ALL LOGS	1	1	50	200
MURC162	616957.77	8196637.62	546.46	150.00	LEGACY	-90	360	ALL LOGS	1	1	42	150
MURC163	616879.67	8196478.61	532.73	150.00	LEGACY	-90	360	ALL LOGS	1	1	46	150
MURC164	617339.72	8195879.35	563.70	150.00	LEGACY	-90	360	ALL LOGS	1	1	65	150
MURC165	617138.86	8195878.78	556.53	187.00	LEGACY	-90	360	ALL LOGS	1	1	93	187

16.2. Boreholes Completed after 05 July 2022 Cut-off and Not Utilised in Exploration Target

BHID	XCOLLAR	YCOLLAR	ZCOLLAR	DIP	BEARING	EOH
MM053	617,115.0	8,195,853.0	558	-55	213	84.87
MM054	617,171.0	8,195,794.0	572	-55	213	84.85
MM063	617,378.0	8,195,672.0	552	-55	213	84.8
MM065	617,485.0	8,195,691.0	554	-55	213	150.75
MM066	617,454.0	8,195,641.0	570	-55	213	84.75
MM073	617,077.0	8,195,828.0	571	-55	213	84.75
MM074	617,206.0	8,195,847.0	564	-55	213	150.8
MM076	616,710.0	8,193,847.0	525	-55	90	54.8
MM077	616,774.0	8,193,847.0	544	-55	90	84.8
MM078	616,832.0	8,193,852.0	615	-55	90	84.7
MM079	617,149.0	8,195,902.0	553	-55	213	132.7
MM091	617,093.0	8,195,959.0	540	-55	213	132
MM093	617,060.0	8,195,910.0	541	-55	213	84.7
MM094	616,996.0	8,195,952.0	533	-55	213	72.8
MM095	617,441.0	8,195,768.1	575	-55	213	55
MM096	617,381.0	8,195,823.0	580	-55	213	156
MM097	617,297.0	8,195,840.0	593	-55	213	120
MM098	617,244.0	8,195,903.0	529	-55	213	144
MM099	617,188.0	8,195,956.0	557	-55	213	150
MM100	617,451.0	8,195,765.0	579	-55	213	36
MM101	617,428.0	895,795.0	571	-55	213	150

17 Appendix E - Table 1 of JORC 2012 Code

17.1. Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> The available database contained 246 boreholes of which 96 of those boreholes were utilised in the modelling and estimation of Targets 1 and 4. Of the 96 boreholes, 53 (2 diamond drilled boreholes (DD) and 51 reverse circulation boreholes (RC)) were drilled by Altona and 43 RC boreholes by the previous tenement holder – Globe Metals and Mining (16 Appendix D, 16.1 Borehole Database as at 05 July 2022). Modelling and Estimation. Target 1: 71 boreholes utilised. Target 4: 25 boreholes utilised. Altona DD core samples were collected over a nominal length of 1m, within lithological contacts and core blocks. Altona RC cuttings samples were collected over 1m intervals, riffle split, composited into 3m composites, and riffle split to 2.5-3kg. Splitting was done using a 3-tier riffle splitter. In Altona's programme the entire drilled length was sampled except for lithologies that were not REE bearing (this was confirmed using a pXRF analyser) such as pyroclastics on hole MM007. Globe RC sampling was mostly done on 1m intervals but were occasionally composited up to 4m intervals.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> Altona DD Drilling was done in PQ in weathered zone and HQ in fresh zone, reduced to NQ in the lower part of the holes. The rods had a length of 3 m. Altona Core orientation was not done. Altona RC drilling using a 4 ½" hammer with 6m rods. Globe boreholes were all RC but contain no record of diameter.
Drill sample	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. 	<ul style="list-style-type: none"> Altona drilling: <ul style="list-style-type: none"> Hole MM035 was abandoned and repeated (as hole MM040) due to

Criteria	JORC Code explanation	Commentary
recovery	<ul style="list-style-type: none"> Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<p>low recovery and measures were put in place to improve recovery. Short DD runs were done to enhance recovery in weathered material when necessary.</p> <ul style="list-style-type: none"> Recovery averaged 92.74% in very weathered near-surface rocks, and 98.80% in rocks with a lower degree of weathering. No correlation was found between TREO% and recovery. RC sample recovery was appraised on the basis of weight of recovered sample for a known drilling volume. Cavities were recorded. A RC moisture qualitative log was recorded. Globe historical drilling: There's evidence that bulk RC bag weights were recorded for most samples but no direct comment is made on recovery.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> Altona drilling: <ul style="list-style-type: none"> All intervals for DD holes were lithologically logged including radiometric measurements for U, K and Th. No structural orientation data recorded. All core samples were photographed in constant light conditions. All intervals for RC holes were logged, including recording magnetic susceptibility (using a handheld Kappa meter) and U, K and Th radiometrics (using a handheld spectrometer). Lithology determinations for both RC and DD were made based on visual examination and verified and amended based on whole rock sample geochemistry obtained by pXRF. Standard industry descriptors as per a SOP were recorded for all holes including weathering, colour, mineralisation, grain size etc. Globe drilling: <ul style="list-style-type: none"> Qualitative geological logging was undertaken which has also been subsequently improved through reference to SiO₂ and MgO assay data. Standard industry descriptors were recorded for all holes including weathering, colour, mineralisation, grain size etc.
Sub-sampling	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core 	<ul style="list-style-type: none"> Altona drilling:

JORC Code explanation		Commentary
<p>Criteria</p> <p>techniques and sample preparation</p> <ul style="list-style-type: none"> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> o Sufficiently fresh PQ and HQ samples were split longitudinally using a diamond saw into 4 equal parts. Fresh NQ samples were split in 2. Samples too weathered to be split with the core saw were bagged, homogenised, and split using a riffle splitter. o RC 1m intervals were split using a 3-tier riffle splitter. Some samples were composited to 3m. o QAQC samples were randomly inserted by Altona in sample batches at the following proportion: <ul style="list-style-type: none"> ▪ Blanks – 3.6% ▪ CRMs – 3.5% ▪ Field duplicates – 3.7% o Sample size for DD and RC samples is appropriate to the nature of deposit and mineralisation. o Altona reviewed the Laboratory and their own QAQC results and found them to be within acceptable limits. QAQC reporting by Altona was not available at the time of publishing of this document. o No umpire lab assay has taken place. • Globe drilling: o All drilling was RC and only logs are available. o Indications from earlier reporting are that QAQC protocols were observed but none of the QAQC reporting is available. 	
<p>Quality of assay data and laboratory tests</p> <ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> • <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> • Altona drilling lab assay: • Sample preparation was done by Intertek Genalysis RSA. Samples were dried, crushed if necessary, split to 300g, pulverized, and split as necessary for analysis. o Samples were analysed by Intertek in Perth. o Major elements, rare earth elements, and selected trace elements were analysed by Li peroxide fusion followed by ICP-MS and ICP-OES. Fluoride was analysed by selective ion electrode. • Altona pXRF analyses: <ul style="list-style-type: none"> o Altona uses a Hitachi X-Met8000 pXRF analyser equipped with a 	

Criteria	JORC Code explanation	Commentary
		<p>50kv anode and specific programmes to enable the detection and quantification of Nd, Pr, La, Ce and Y, as well as of light elements relevant to carbonatites such as K, Mg and Si.</p> <ul style="list-style-type: none"> o Duplicate 1m RC samples are prepared using plastic cups covered by a mylar film and assayed under standard conditions using both the light elements programme (30s assay time) and the rare earths programme (60s assay time). Regular checks and calibration are done using a SiO₂ blank and various CRMs. o Comparisons between Altona pXRF results and Intertek laboratory assay results for Altona's Phase 1 confirmed the reliability of Altona's pXRF results (slight underestimation, R² = 0.95). In the current conditions, pXRF results give a very good indication as to the degree to which samples are mineralized and are usable as a decision tool. All mineralized samples are sent to a certified laboratory for assay. • Altona QAQC. As detailed approximately 10% QAQC samples are submitted per batch comprising approximately equal parts blanks, standards/CRMs and field duplicates. The QAQC protocol is in keeping with best practise though adequate QAQC reporting is as yet incomplete. • Globe/legacy QAQC. It is documented as done but no reports are available in this regard.
<p><i>Verification of sampling and assaying</i></p>	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • The verification of significant intersections was done in-house by Altona geological personnel. • Some Altona Phase 1 DD holes were drilled to twin legacy RC holes and were found to be consistent as far as lithology and assay results are concerned. • Field data was logged on paper. Testing equipment raw files as well as scans of paper logs / records are kept. • All paper logs are captured electronically in spreadsheets. • No adjustments have been made to laboratory or pXRF data.
<p><i>Location of data points</i></p>	<ul style="list-style-type: none"> • <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations</i> 	<ul style="list-style-type: none"> • The project utilises the WGS84 datum and the UTM36S grid in metres for all positioning. • Borehole collars were surveyed using a handheld Garmin GPS with a

JORC Code explanation		Commentary
Criteria	<p>JORC Code explanation</p> <ul style="list-style-type: none"> used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<p>horizontal accuracy of +/- 3m. All legacy and Phase 1 collars will be resurveyed using a RTK system.</p> <ul style="list-style-type: none"> Downhole surveys were carried out on all DD holes and some RC holes using a EZ-TRAC XTF Multi-shot survey kit. Measurements were done at 6m intervals. A temporary DTM was prepared using elevation data from a 1998 helicopter-borne geophysical survey. The topographic control is suitable for the reporting of an exploration target and is in the process of being upgraded by means of a RTK survey system.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> Drill hole spacing within the targets is generally between 60m and 150m between borehole collars. It is not, at 05 July 2022, sufficient to establish geological and grade continuity. The current drilling plan was designed to test lateral extension of known REE mineralisation and to test geophysical anomalies and topographic features. The final planned drill hole spacing should be adequate to establish geological and grade continuity with the objective of defining a Mineral Resource should one exist. The majority of RC samples are reported on a 1m basis whilst some were composited into 3 m intervals and in some cases 2m. For purposes of modelling all intervals were modelled on a 1m basis.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> Boreholes were generally drilled at an azimuth and dip angle to intersect the targeted orebodies approximately perpendicular to orebody orientation. The assumed geometry of the orebodies was derived from legacy drilling data and surface mapping. While the geometry of orebodies requires a better understanding, no bias is considered to have been introduced by the orientation of the holes with respect to structures, except for hole MM039 drilled on the historical fluorite deposit.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> The chain of custody was managed by Altona personnel on site. Samples were kept in sealed bags in a designated storage on site, collected by transporter Bolloré on site, and delivered to Intertek

Criteria	JORC Code explanation	Commentary
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<p>laboratory in South Africa on a door-to-door basis.</p> <ul style="list-style-type: none"> Prepared samples were sent by Intertek's preparation facility to the analytical laboratory's Australian facility by commercial air freight. The laboratory issues reconciliation reports. Sampling techniques and data have not been audited or reviewed independently at this stage. Formal audits had not formed part of the procedures to date. During the site visit the collar positioning, geological logging, sampling and pXRF standard operating procedures were reviewed and found to be satisfactory.

17.2. Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The Monte Muambe project is held under prospecting licence LPP7573L which was originally issued to Ussokoti Investimentos Sociedade Unipessoal Limitada. The National Institute of Mines (INAMI) has since transferred LPP7573L to Monte Muambe Mining Limitada. Altona Rare Earths PLC has a farm-in agreement with Ussokoti Investimentos Lda and Monte Muambe Mining Lda allowing Altona Rare Earths PLC to own up to 70% of the license by spending certain amounts on the project and making cash and share payments to the original quota holders of Monte Muambe Mining Lda (for full details see RNS of 25 June 2021 https://www.aguis.eu/aguiss-stock-exchange/for-investors/announcements?view_news_id=3141006). As at 23 January 2023 Altona holds 20% of Monte Muambe Mining Lda. Prospecting License LPP7573L is held by Monte Muambe Mining Lda and valid until 22 May 2025. No habitations, farms, nature reserves, or historical sites exist within the license. There are no known facts that would impede the grant of a Mining

JORC Code explanation		Commentary
Criteria		License to Monte Muambe Mining Lda.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Exploration for the mineral fluorite was done by Grupo Madal in the late 1990s, including a helicopter borne geophysical (radiometrics and magnetics) survey done by geophysical company Geodass in 1998, at a line spacing of 100m. This dataset is in Altona's possession. Between 2010 and 2012 Globe Metals and Mining continued fluorite exploration at Monte Muambe, during the course of which the company discovered REE occurrences. Work included a ground Geiger counter survey at a line spacing of 50m over part of the intrusion, as well as 12,587m of RC drilling (165 holes). The drilling database is in Altona's possession, though some holes don't have assay results.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> Monte Muambe is a carbonatite hosted primary REE deposit. The carbonatite has a diameter of 3 km approximately. Fenitisation is common at the contact of carbonatite and host sandstones, both around the intrusion and above it. The presence of pyroclastics in several parts shows a relatively shallow, sub-volcanic level. Several lithologies and phases of intrusion have been observed. Mineralisation is magmatic in origin and may have been enriched through magmatic differentiation and hydrothermal processes. REE are not distributed homogeneously throughout the intrusion and the detailed mineralisation controls require a better understanding. Surface enrichment through weathering seems to be limited in extent as saprolite has been largely eroded away. Beside REE, the presence of fluorite, niobium, barite, apatite and iron ore has been noted.
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in 	<ul style="list-style-type: none"> The database used for the reporting of an Exploration Target Contained 246 boreholes as at 05 July 2022. Of the 246 boreholes, 71 of these were used for modelling Target 1 and 25 boreholes for modelling of target 4, the remainder were outside of these target areas. The combined 96 boreholes in the database utilised for modelling and estimation included both historic/legacy boreholes

JORC Code explanation		Commentary
Criteria	<p>metres) of the drill hole collar <ul style="list-style-type: none"> o dip and azimuth of the hole o down hole length and interception depth o hole length. <ul style="list-style-type: none"> • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. </p>	<p>which predate Altona's involvement and new boreholes drilled by Altona.</p> <ul style="list-style-type: none"> • The database used for modelling Targets 1 and 4 of the Monte Muambe project included 53 Altona boreholes of which 2 were diamond drilled (DD) boreholes and the remaining 51 were reverse circulation (RC) boreholes. The remaining 43 historic/legacy boreholes are all reverse circulation (RC) boreholes. • The collar table including position, inclination, bearing, end of hole depth, drilling type, year and records per database table, is included in 16 Appendix D, 16.1 Borehole Database as at 05 July 2022, and the location of the 246 boreholes as at 05 July 2022, is shown in Figure 25.
Data aggregation methods	<ul style="list-style-type: none"> • In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> • Grade is reported as TREO in %. For the diamond drilled (DD) boreholes which have been assayed, it is the sum of all 14 REE and Yttrium, in oxide form; whilst for the pXRF assays it is only the sum of the 4 REE Ce, La, Nd, Pr and Yttrium reported in oxide form. • No clipping of high grades was done. • 0.5% and 1.0% TREO shells were constructed to constrain the block models. • Significant intercepts reported elsewhere, were calculated using the weighted average (by length) of included individual intervals. • No metal equivalents were reported.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> • Except in target 6 and to some extent in target 1, the contact of mineralised orebodies with their host rock is largely subvertical to steeply dipping, but the detailed geometry of orebodies is not yet fully understood. • Intercepts are reported as drilled length. The true width of mineralised intervals is less than the intercept length.
Diagrams	<ul style="list-style-type: none"> • Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being 	<ul style="list-style-type: none"> • Borehole Location Maps: Figure 25, Figure 26 and Figure 27.

JORC Code explanation		Commentary
Criteria	<p>reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</p>	<ul style="list-style-type: none"> Sections: Figure 34, Figure 35 and Figure 37.
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> Early exploratory drilling which seeks to delineate targets is consistent with not all holes intercepting REE mineralisation. Drilling shows that REE mineralisation within the carbonatite intrusion is not homogeneous. Significant intercepts are reported on areas warranting follow-up while other areas will not be subject to further drilling and therefore do not justify detailed reporting.
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> 433 density records were utilised to assign densities to the simplified stratigraphic subdivisions of Soil, Fenite and Carbonatite. Altona collected density of competent rock on the basis of measured volume and mass – the recovered sample was measured by weighing and measuring the length and diameter of sample sawed at right angle from the core axis. For clay-rich very weathered samples which displayed swelling, the nominal inner diameter of the drilling bit and an adjusted sample length were used. Density ranged from a minimum of 1.43 g/cm³ to 4.74 g/cm³. Possible contaminants include U and Th, while the presence of Ca, F, Ba, Nb and P may have an impact on recovery and processing flow chart complexity. As with all carbonatite hosted REE deposits, potential deleterious elements include U and Th. Samples with TREO% above 0.5 have an average grade of 18 ppm U and 232 ppm Th.
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> The results of exploration work to date, justify further exploration on the Monte Muambe project. The objective of drilling work completed after 05 July 2022 but not yet incorporated into the drilling database, is to collect sufficient borehole data to prove grade and geological continuity where possible, to allow for the preparation of a maiden Mineral Resource Estimate and a Preliminary Economic Assessment. Identified targets and areas, not limited to only Targets 1 and 4, will see additional soil sampling, ground geophysics, RAB drilling, and RC

Criteria	JORC Code explanation	Commentary
		drilling. First pass metallurgical testwork is also planned.

PART IV

OPERATING AND FINANCIAL REVIEW OF THE COMPANY

The Company changed its name to Altona Rare Earths Plc on 27 February 2021 to recognise its new strategy which is to acquire multiple Rare Earth Elements mining projects in East and Central Africa and carry out sufficient exploration work to establish an economically viable resource showing a high-quality ore body of rare earth metals.

The financial condition of the Company has changed considerably over the years and since the beginning of 2020 and, following its operational withdrawal from Australia, the Company has significantly reduced its indebtedness. The Directors do not believe an historic analysis of its performance before 1 July 2020 would be relevant to its investors and therefore have provided a review below that focuses on the two periods for which audited financial statements are available being 1 July 2020 to 30 June 2021 and 1 July 2021 to 30 June 2022 and the last six month period ended 31 December 2022 for which unaudited interim condensed consolidated financial statements are available.

The Historical Financial Information for the Company and the Group up to 30 June 2022 has been incorporated by reference and is available to the Investor from Companies House or can be found on the Company website www.altonaRE.com. The unaudited interim condensed consolidated financial statements for the 6 months ended 31 December 2022 are also incorporated by reference and can be found on the Company website.

The Group incurred expenditure during the period from 1 July 2020 to 30 June 2021 totalling c.£729,000 which is mainly made up of Director's fees (c.£174,000), other staff costs (c.£70,000) exploration costs not capitalised (c.£182,000), audit and accountancy fees (c.£24,000) and legal and other professional fees (c.£279,000) which have been incurred in the pursuit of the investments in Africa and the ongoing corporate costs of the Company.

For the year ended 30 June 2022, the Group incurred expenditure totalling c.£801,000 which comprised of legal and professional fees (c.£88,000) costs in relation to the Placing (c.£100,000), regulatory fees (c.£31,000), audit and accountancy fees (c.£57,000), Directors' fees (c.£346,000) which includes the COO who is the principal Geologist for the Group, other (c.£120,000) and c.£59,000 incurred on legal and financial due diligence for the terminated licence acquisition in Malawi. All other exploration costs were capitalised in the year.

For the six months ended 31 December 2022, the Group incurred expenditure totalling c.£412,000 which comprised of Directors' remuneration (c.£207,000), legal and professional fees (c.£83,000), finance costs of (c.£25,000) and other costs of (c.£97,000).

Assets

At 30 June 2021, current assets included cash of c.£436,000 and trade and other receivables of c.£21,000 consisting of prepayments of c.£18,000 which relate to the prepaid part of the Chairman's salary paid upfront in shares and the annual cost of the Company's Aquis stock market listing.

Current assets, excluding cash, as at 30 June 2022 have increased to c.£119,000 from the c.£21,000 at 30 June 2021. At the end of June 2022, prepayments have increased to c.£25,000, which includes new insurance prepayments. Other debtors of c.£94,000 includes VAT recoverable from expenditure in Mozambique. The cash balance at 30 June 2022 was c.£283,000, which had reduced from c.£436,000 in the prior year due to the increased operational and corporate activity of the Group.

As at 30 June 2022, the Group had intangible fixed assets of c.£866,000 which represents the capitalisation of its exploration and evaluation expenditure (c.£617,000) during Phase 1 and 2 on its exploration licence in Monte Muambe in Mozambique and the fair value of these exploration and evaluation assets acquired (c.£249,000). The fixed asset balance of c.£134,000 also relates to this licence and is in respect of the tangible assets acquired and constructed at the Monte Muambe site in addition to a pXRF and Drone owned by the Group. The Group had no intangible or tangible fixed assets at 30 June 2021.

As at 31 December 2022, the Group had increased its intangible fixed assets by c.£270,000 to c.£1,136,000 due to the continued capitalisation of exploration and evaluation expenditure in relation to Phase 2 of the project at Monte Muambe. Trade and other receivables has increased to

c.£245,000 due mainly to an amount of c£104,000 which relates to the costs of the Assay which will be capitalised as exploration and evaluation expenditure once it has been paid for. The cash balance has decreased to c.£45,000 as at 31 December 2022.

Liabilities

Total liabilities have increased from c.£321,000 at 30 June 2021 to c.£391,000 as at 30 June 2022. This is mainly due to the increase in operational activity of the Group and the rise in corporate activity to ensure the completion of the Standard Listing. It also includes a deferred tax liability arising on the acquisition of the licence of c.£77,000. The trade payables balance as at 30 June 2022 of c.£115,000, mainly comprises of trade creditors related to the corporate costs and a creditor balance owed to Leander PR Limited of c.£57,000. The accruals and other payables balance of c.£199,000 (2021: c.£175,000), comprises of administrative, legal and IPO accruals and has not significantly changed since 30 June 2021. There is also a HSBC Government Bounce Loan of £25,000 which was arranged on 17 July 2020 to meet the ongoing corporate costs of the Company. This was fully repaid by the Company on 18 February 2022.

Total liabilities have increased over the 6 month period ended 31 December 2022 to c.£917,000. This increase is due to a £150,000 loan entered into with Catalyse Capital Limited which included an interest charge of £23,000 as at 31 December 2022. An additional interest charge of £16,750 was incurred post period end on the extension of the payment date of this loan. Trade payables have increased to c.£364,000 and includes the c.£104,000 for the costs of Assay which is included as a deferred expenditure balance in other debtors. Accruals and other payables have increased to c.£303,000, this includes a balance of c.£173,000 relating to outstanding salaries and fees due the Directors of the Company.

Cash flows

In the year from 1 July 2020 to 30 June 2021, net cash flow used in operations was £528,000. These outflows were all incurred in relation to the Groups ongoing corporate costs and its operations to discover new investment opportunities.

In the year from 1 July 2021 to 30 June 2022, net cash flow used in operations was c.£832,000. These outflows significantly increased due to the increased activities of the Group, specifically the costs of the proposed Placing and the operational activity at the Monte Muambe Project.

The net cash outflow from investing activities increased from £nil for the year ended 30 June 2021 to c.£875,000 in the year ended 30 June 2022, due the expenditure on intangible and tangible assets, almost entirely related to the operations in MMM. The net cash inflow from financing activities increased from c.£964,000 for the year ended 30 June 2021 to c.£1,554,000 for the year ended 30 June 2022, due to further successful fund raising through additional share issues. These totalled c.£1,118,000 in the year ended 30 June 2021 and c.£1,688,000 in the twelve months ending 30 June 2022.

In the 6 month period ended 31 December 2022, net cashflow used in operating activities was c.£107,000. c.£279,000 was spent on investing activities in Monte Muambe through expenditure on intangible and tangible assets. Net cash inflow from financing activities of £150,000 was due to the loan from Catalyse Capital Limited. The cash position reduced from c.£283,000 to c.£45,000 in the six month period ending 31 December 2022.

Capital resources

The Company's shares were re-admitted to trading on Aquis Stock Exchange ("AQSE") on 2 December 2020, following a successful fund raise of c.£138,000 before expenses. The fund raise was completed at a price of 6.5 pence, with a 1:2 warrants offering with a strike price of 12 pence and an expiry date of March 2023. A further placing was completed in January 2021 with subscription letters being received by the Company in respect of a further fundraising of c.£523,000 before expenses on the same terms as the December raise. Due to an oversubscription in this January raise, the Company, in March 2021 issued further Shares, on the same terms, for c.£259,000 before expenses. In June 2021, the Company raised a further c.£178,000 from private investors, to cover the down payment needed for its exploration work on the Monte Muambe Project. In September and October 2021, the Company raised c.£1.2m before expenses with the issue of 8,842,820 new ordinary shares at a price of 14p to enable the Company to progress with Phase 2 of the exploration work at Monte Muambe. A pre-IPO placing was concluded in May 2022 where the Company raised c.£500,000 before expenses at a price of 8p Following the six capital

raises the Company is in a strong financial position to meet its strategic objectives to finance its current project at MMM, seek to acquire new assets in Africa and complete its Admission onto the Standard List of the London Stock Exchange. As discussed above in this Document the Net Proceeds from this will be used to continue to fund exploration work on this project.

On 13 June 2022, the Company issued 1 million ordinary shares to the owners of Monte Muambe Mining Lda as part of the consideration for the acquisition of a further 19% interest in said company. This takes the Company's ownership to 20%.

PART V

HISTORICAL FINANCIAL INFORMATION OF THE COMPANY

The following audited historical financial information of the Company has been incorporated by reference:

Audited historical financial information for the year ended 30 June 2022

The Group's audited historical financial information for the year ended 30 June 2022 can be viewed on the Company's website at:

<https://wp-altona-2021.s3.eu-west-2.amazonaws.com/media/2022/12/Altona-Rare-Earths-Plc-Annual-Report-Accounts-30-June-22-14-December-22.pdf>

The audited historical financial information available includes the following:

- Corporate Information (page 3);
- Chief Executive's Statement (page 4);
- Strategic Report (page 10);
- Directors' Report (page 14);
- Statement of Directors' Responsibilities (page 18);
- Corporate Governance Report (page 19);
- Independent Auditors' Report To The Members of Altona Rare Earths Plc (page 26);
- Statement of Consolidated Profit or Loss and Other Comprehensive Income (page 34);
- Statement of Consolidated Financial Position (page 35);
- Statement of Consolidated Cashflows (page 37);
- Consolidated Statement of Changes in Equity (page 39);
- Notes to the Consolidated Financial Statements (page 41).

Audit report material uncertainty relating to going concern

The Company's auditors included a material uncertainty relating to going concern in their audit report for the year ended 30 June 2022. The disclosure is summarised as follows:

"Material uncertainty relating to going concern

We draw attention to note 1 in the financial statements, which indicates that the Group is not currently generating revenue and remains reliant on shareholder funding. The Group incurred a net loss of £801,000 during the year ended 30 June 2022. As stated in note 1, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. The Group is reliant on a successful fundraise by the Company to fund its operations for the foreseeable future. Management expect this to be post audit completion, following a successful admission to the standard market of the London Stock Exchange. Our opinion is not modified in respect of this matter."

All of the above parts of the Company's audited historical financial information for the year ended 30 June 2022 are relevant to investors.

Audited historical financial information for the year ended 30 June 2021

The Company's audited historical financial information for the year ended 30 June 2021 can be viewed on the Company's website at:

<https://wp-altona-2021.s3.eu-west-2.amazonaws.com/media/2021/08/03125555/Altona-Rare-Earths-Annual-Report-2021.pdf>

The audited historical financial information available includes the following:

- Corporate Information (page 2);
- Chief Executive's Statement (page 3);
- Strategic Report (page 7);
- Directors' Report (page 10);
- Statement of Directors' Responsibilities (page 13);
- Independent Auditors' Report To The Members of Altona Rare Earths Plc (page 14);
- Statement of Comprehensive Income for the Year Ended 30 June 2021 (page 19);
- Statement of Financial Position as at 30 June 2021 (page 20);
- Statement of Cash Flows for the Year Ended 30 June 2021 (page 21);
- Statement of Changes in Equity for the Year Ended 30 June 2021 (page 22);
- Notes to the Financial Statements for the Year Ended 30 June 2021 (page 23).

Audit report material uncertainty relating to going concern

The Company's auditors included a material uncertainty relating to going concern in their audit report for the year ended 30 June 2021. The disclosure is summarised as follows:

"Material uncertainty relating to going concern

We draw attention to note 1 in the Financial Statements, which indicates that the company is not currently generating revenue and remains reliant on shareholder funding. The company incurred a net loss of £733,000 during the year ended 30 June 2021. As stated in note 1, these events or conditions indicate that a material uncertainty exists and may cast significant doubt on the company's ability to continue as a going concern. The Company is reliant on a successful fundraise by the company to fund its operations for the foreseeable future. Our opinion is not modified in respect of this matter"

All of the above parts of the Company's audited historical financial information for the year ended 30 June 2021 are relevant to investors.

Audited historical financial information for the year ended 30 June 2020

The Company's audited historical financial information for the year ended 30 June 2020 can be viewed on the Company's website at:

<https://wp-altona-2021.s3.eu-west-2.amazonaws.com/media/2021/05/20164730/Altona-Energy-plc-Annual-Report-to-30-June-20-28-January-2021.pdf>

The audited historical financial information available includes the following:

- Corporate Information (page 2);
- Chief Executive's Statement (page 3);
- Strategic Report (page 7);
- Directors' Report (page 9);
- Statement of Directors' Responsibilities Statements (page 11);
- Independent Auditors' Report To The Members of Altona Energy Plc (page 12);
- Statement of Consolidated Comprehensive Income for the Year Ended 30 June 2020 (page 16);
- Statement of Financial Position as at 30 June 2020 (page 17);
- Statement of Cash Flows for the Year Ended 30 June 2020 (page 18);
- Statement of Changes in Equity for the Year Ended 30 June 2020 (page 19);
- Notes to the Consolidated Financial Statements for the Year Ended 30 June 2020 (page 20).

Audit report material uncertainty relating to going concern

The Company's auditors included a material uncertainty relating to going concern in their audit report for the year ended 30 June 2020. The disclosure is summarised as follows:

"Material uncertainty relating to going concern

We draw attention to note 1 in the Financial Statements, which identifies conditions that may cast doubt on the Group's and Company's ability to continue as a going concern. The Group incurred a net loss of £229,000 during the year ended 30 June 2020 and at that date the Group has net current liabilities of £524,000. The Financial Statements have been prepared on the going concern basis which is reliant on a successful fundraise by the Group to fund its operations for the foreseeable future. In December 2020, the Company raised £138,000 and in January 2021, the Company received subscription letters in respect of a fundraising of £523,000 before expenses. At the date of this report the Company has received £168,214 through the share placing and the balance is expected to be received in February 2021. The going concern assessment of the Group is reliant on receiving the remaining £355,139 through the share placing. As stated in note 1, these events or conditions, along with the other matters as set forth in note 17, indicate that a material uncertainty exists that may cast doubt on the ability of the Group and Company to continue as a going concern. Our opinion is not modified in respect of this matter."

All of the above parts of the Company's audited historical financial information for the year ended 30 June 2020 are relevant to investors.

The following unaudited historical financial information of the Company has been incorporated by reference:

Unaudited historical financial information for the six months ended 31 December 2022

The Group's unaudited historical financial information for the 6 months ended 31 December 2022 can be viewed on the Company's website at:

<https://wp-altona-2021.s3.eu-west-2.amazonaws.com/media/2023/04/Altona-Rare-Earths-Plc-Interim-Results-18-April-23.pdf>

The audited historical financial information available includes the following:

- Statement of Condensed Consolidated Profit or Loss and Other Comprehensive Income (page 4)
- Statement of Condensed Consolidated Financial Position (page 5)
- Statement of Condensed Consolidated Cashflows (page 6)
- Condensed Consolidated Statement of Changes in Equity (page 7)
- Notes to the Condensed Consolidated Financial Statements (page 8)

PART VI

TAXATION

1. TAXATION

1.1 Taxation in the United Kingdom

The following information is based on UK tax law and HM Revenue and Customs (“**HMRC**”) practice currently in force in the UK. Such law and practice (including, without limitation, rates of tax) is in principle subject to change at any time. The information that follows is for guidance purposes only. Any person who is in any doubt about his or her position should contact their professional advisor immediately.

An investment in the Company involves a number of complex tax considerations. Changes in tax legislation in any of the countries in which the Group has assets or in the United Kingdom (or in any other country in which a subsidiary of the Company through which an acquisition is made, is located), or changes in tax treaties negotiated by those countries, could adversely affect the returns from the Company to Investors.

Prospective Investors should consult their own independent professional advisers on the potential tax consequences of subscribing for, purchasing, holding or selling Shares under the laws of their country and/or state of citizenship, domicile or residence including the consequences of distributions by the Company, either on a liquidation or distribution or otherwise.

1.1.1 Tax treatment of UK investors

The following information, which relates only to UK taxation, is applicable to persons who are resident in the UK and who beneficially own Shares as investments and not as securities to be realised in the course of a trade. It is based on the law and practice currently in force in the UK. The information is not exhaustive and does not apply to potential investors:

- (i) who intend to acquire, or may acquire (either on their own or together with persons with whom they are connected or associated for tax purposes), more than 10 per cent., of any of the classes of shares in the Company; or
- (ii) who intend to acquire Shares as part of tax avoidance arrangements; or
- (iii) who are in any doubt as to their taxation position.

Such Shareholders should consult their professional advisers without delay. Shareholders should note that tax law and interpretation can change and that, in particular, the levels, basis of and reliefs from taxation may change. Such changes may alter the benefits of investment in the Company.

Shareholders who are neither resident nor temporarily non-resident in the UK and who do not carry on a trade, profession or vocation through a branch, agency or permanent establishment in the UK with which the Shares are connected, will not normally be liable to UK taxation on dividends paid by the Company or on capital gains arising on the sale or other disposal of Shares. Such Shareholders should consult their own tax advisers concerning their tax liabilities.

1.1.2 Dividends

Where the Company pays dividends no UK withholding taxes are deducted at source, Shareholders who are resident in the UK for tax purposes will, depending on their circumstances, be liable to UK income tax or corporation tax on those dividends.

UK resident individual Shareholders who are domiciled in the UK, and who hold their Shares as investments, will be subject to UK income tax on the amount of dividends received from the Company.

Dividend income received by UK tax resident individuals will have a £1,000 per annum dividend tax allowance. Dividend receipts in excess of £1,000 will be taxed at 8.75% for basic rate taxpayers, 33.75% for higher rate taxpayers, and 39.35% for additional rate taxpayers.

Shareholders who are subject to UK corporation tax should generally, and subject to certain anti-avoidance provisions, be able to claim exemption from UK corporation tax in respect of any dividend received but will not be entitled to claim relief in respect of any underlying tax.

1.1.3 Disposals of Shares

Any gain arising on the sale, redemption or other disposal of Shares will be taxed at the time of such sale, redemption or disposal as a capital gain.

The rate of capital gains tax on disposal of Ordinary shares by basic rate taxpayers is 10 per cent., and for upper rate and additional is 20 per cent.

The corporation tax rate applicable to taxable profits is currently 25% applying to profits over £250,000. A small profits rate applies for companies with profits of £50,000 or less so that these companies pay corporation tax at 19%. Companies with profits between £50,000 and £250,000 pay tax at the main rate reduced by a marginal relief providing a gradual increase in the effective corporation tax rate.

1.1.4 Further information for Shareholders subject to UK income tax and capital gains tax “Transactions in securities”

The attention of Shareholders (whether corporates or individuals) within the scope of UK taxation is drawn to the provisions set out in, respectively, Part 15 of the Corporation Tax Act 2010 and Chapter 1 of Part 13 of the Income Tax Act 2007, which (in each case) give powers to HM Revenue and Customs to raise tax assessments so as to cancel “tax advantages” derived from certain prescribed “transactions in securities”.

1.1.5 Stamp Duty and Stamp Duty Reserve Tax (“SDRT”)

No UK stamp duty or SDRT will be payable on the allotment and issue of ordinary shares pursuant to the placing.

Most investors will purchase existing ordinary shares using the crest paperless clearance system and these acquisitions will be subject to stamp duty reserve tax at 0.5% where ordinary shares are acquired using paper (i.e. non-electronic settlement) stamp duty will become payable at 0.5% if the purchase consideration exceeds £1,000.

The above comments are intended as a guide to the general stamp duty and SDRT position and may not relate to persons such as charities, market makers, brokers, dealers, intermediaries and persons connected with depositary arrangements or clearance services to whom special rules apply.

1.1.6 Inheritance tax

Shareholders regardless of their tax status should seek independent professional advice when considering any event which may give rise to an inheritance tax charge. Ordinary Shares beneficially owned by an individual Shareholder will be subject to UK inheritance tax on the death of the Shareholder (even if the Shareholder is not domiciled or deemed domiciled in the UK); although the availability of exemptions and reliefs may mean that in some circumstances there is no actual tax liability. A lifetime transfer of assets to another individual or trust may also be subject to UK inheritance tax based on the loss of value to the donor, although again exemptions and reliefs may be relevant. Particular rules apply to gifts where the donor reserves or retains some benefit.

THIS SUMMARY OF UK TAXATION ISSUES CAN ONLY PROVIDE A GENERAL OVERVIEW OF THESE AREAS AND IT IS NOT A DESCRIPTION OF ALL THE TAX CONSIDERATIONS THAT MAY BE RELEVANT TO A DECISION TO INVEST IN THE COMPANY. THE SUMMARY OF CERTAIN UK TAX ISSUES IS BASED ON THE LAWS AND REGULATIONS IN FORCE AS OF THE DATE OF THIS DOCUMENT AND MAY BE SUBJECT TO ANY CHANGES IN UK LAWS OCCURRING AFTER SUCH DATE. LEGAL ADVICE SHOULD BE TAKEN WITH REGARD TO INDIVIDUAL CIRCUMSTANCES. ANY PERSON WHO IS IN ANY DOUBT AS TO HIS TAX POSITION OR WHERE HE IS RESIDENT, OR OTHERWISE SUBJECT TO TAXATION, IN A JURISDICTION OTHER THAN THE UK, SHOULD CONSULT HIS PROFESSIONAL ADVISER.

PART VII

ADDITIONAL INFORMATION

1 Responsibility statement

The Existing Directors and Proposed Directors, whose names appear on page 29 of this Document, and the Company accept responsibility for the information contained in this Document. To the best of the knowledge of the Directors and the Company the information contained in this Document is in accordance with the facts and this Document makes no omission likely to affect its import.

2 The Company

- 2.1 The Company was incorporated with limited liability under the laws of England and Wales under the Companies Act 1985 on 2 February 2005 with number 05350512 under the name Altona Resources Plc, with an indefinite life. The Company subsequently changed its name to Altona Energy Plc on 19 December 2008. The Company changed its name to Altona Rare Earths Plc on 26 February 2021.
- 2.2 The principal legislation under which the Company operates and under which the Shares are created and issued is the Companies Act.
- 2.3 The Company's registered office is at Eccleston Yards 25 Eccleston Place London SW1W 9NF. The telephone number for the Company is +44 (0)7795 168 157.
- 2.4 On 13 September 2021 the Company adopted the Articles in substitution for and to the exclusion of the then existing articles of association of the Company. The Company operates in conformity with its Articles and with the laws of England and Wales.
- 2.5 As at 30 May 2023, the latest practicable date prior to publication of this Document, the Company has no shares in any company other than its subsidiaries noted below. Following Admission, the Company will be subject to the Listing Rules, Disclosure Guidance and Transparency Rules, to the extent such rules apply to companies with a Standard Listing pursuant to Chapter 14 of the Listing Rules.
- 2.6 The Deferred Shares were created when the Company undertook sub-divisions of the share capital, the first in October 2017 when 1,411,956,853 deferred shares of £0.0009 each were created and the second in August 2019 when 1,602,434 deferred shares of £0.09 each were created. The holders of the Deferred Shares were the holders of the ordinary shares on the date of the relevant sub-division. No Deferred Shares have been transferred since the date of creation as there is no value in the Deferred Shares due to their terms of creation. The terms of each class of Deferred Shares are as follows. The Deferred Shares shall have:
- (a) no right to receive any dividend or to participate in any distribution made by the Company;
 - (b) no right to receive notice of or to attend or to vote at any General Meeting of the Company;
 - (c) the right on a return of assets on liquidation or otherwise to receive out of the assets of the Company available for distribution such sum not exceeding the amount paid up on the Deferred Shares (excluding any premium) as may be available after payment to each of the holders of the Ordinary Shares the sum of £10,000 per Ordinary Share.

3 Share capital

The following is a summary of the changes in the issued share capital of the Company from 1 July 2018. During this period no Deferred Shares were issued.

Issue of Shares

3.1 During the period covered by the historical financial information, the Company made the following changes to its share capital:

- (i) on 17 October 2018, by resolution of the Shareholders, the share capital of the Company was consolidated, with 1,000 ordinary shares being consolidated into 1 Share to give 1,558,956 Shares in issue and 1,411,956,853 Deferred Shares of £0.0009;
- (ii) on 10 April 2019, an additional 43,478 Shares were issued fully paid, in consideration of certain directors foregoing payment of director's fees, such Shares being issued at 23 pence per Share;
- (iii) on 16 September 2020 an additional 263,158 Shares were issued fully paid at 9.5 pence per Share;
- (iv) on 5 November 2020 an additional 1,307,693 Shares were issued fully paid, in consideration of certain directors foregoing payment of director's fees, such Share being issued at 6.5 pence per Share;
- (v) on 30 November 2020 an additional 1,565,078 Shares were issued fully paid at 6.5 pence per Share;
- (vi) on 12 January 2021 an additional 565,100 Shares were issued fully paid at 6.5 pence per Share;
- (vii) on 28 January 2021 an additional 9,109,607 Shares were issued fully paid at 6.5 pence per Share;
- (viii) on 11 March 2021 an additional 3,977,790 Shares were issued fully paid at 6.5 pence per Share;
- (ix) on 30 March 2021 an additional 198,886 Shares were issued fully paid at 6.5 pence per Share;
- (x) on 31 March 2021 and additional 250,000 Shares were issued fully paid at 10 pence per Share;
- (xi) on 30 April 2021 an additional 884,619 Shares were issued fully paid at 6.5 pence per Share;
- (xii) on 5 May 2021 an additional 44,231 Shares were issued fully paid at 6.5 pence per Share;
- (xiii) on 6 May 2021 an additional 348,766 Shares were issued fully paid at 11.5 pence per Share;
- (xiv) on 18 June 2021 an additional 1,480,836 Shares were issued fully paid at 12.0 pence per Share;
- (xv) on 25 June 2021 an additional 67,792 Shares were issued fully paid at 12.0 pence per Share;
- (xvi) on 9 September 2021 an additional 83,333 Shares were issued fully paid at 12.0 pence per Share;
- (xvii) on 9 September 2021 an additional 8,285,676 Shares were issued fully paid at 14.0 pence per Share;
- (xviii) on 20 October 2021 an additional 200,000 Shares were issued fully paid at 14.0 pence per Share; and
- (xix) on 27 April 2022 an additional 6,250,000 Shares were issued fully paid at 8.0 pence per Share;
- (xx) on 13 June 2022 an additional 1,000,000 Shares were issued fully paid, pursuant to the terms and conditions of the Monte Muambe Farmout Agreement;

(xxi) subject to completion of the Fundraising and Admission the Company shall issue 4,918,200 Fee Shares on Admission to the following people and entities in full and final satisfaction of the payment due for services provided to the Company prior to the date of this Agreement as follows:

1. Orana Corporate LLP - £15,000 being 300,000 Fee Shares
2. Christian Taylor-Wilkinson - £37,500 being 750,000 Fee Shares
3. Cedric Simonet - £28,710 being 574,200 Fee Shares
4. Martin Wood - £17,500 being 350,000 Fee Shares
5. Green Lantern Investment GmbH - £1,200 being 24,000 Fee Shares
6. Catalyse Capital Limited - £86,000 being 1,720,000 Fee Shares (including the CCL Amendment Fee Shares)
7. Optiva - £60,000 being 1,200,000 Fee Shares; and

(xxii) subject to completion of the Fundraising and Admission the Company shall issue 40,000,000 Fundraising Shares in aggregate pursuant to the Fundraising to certain institutional and other investors at the Placing Price.

3.2 The issued share capital of the Company at the date of this Document, not including the New Ordinary Shares, (issued conditional upon Admission) is as follows:

Issued (fully paid)	Number
Shares	37,484,999
Deferred Shares	1,411,956,853 of £0.0009 each 1,602,434 of 9 pence each

3.3 Upon Admission, the issued share capital of the Company will be as follows:

Issued (full paid)	Number
Shares	82,403,199
Deferred Shares	1,411,956,853 of £0.0009 each 1,602,434 of 9 pence each

Grant of Warrants

3.4 As at the date of this Document the Company has 18,183,801 Warrants outstanding as follows:

- (a) Warrants over 1,218,847 Shares were issued on 21 January 2021 with an expiry date of 31 March 2025* and an exercise price of 12 pence per Share;
- (b) Warrants over 4,387,395 Shares were issued on 2 March 2021 with an expiry date of 31 March 2025* and an exercise price of 12 pence per Share;
- (c) Warrants over 1,100,000 Shares were issued on 10 March 2021 with an expiry date of 10 March 2024 and an exercise price of 12 pence per Share;
- (d) Warrants over 1,988,895 Shares were issued on 17 March 2021 with an expiry date of 31 March 2025* and an exercise price of 12 pence per Share;
- (e) Warrants over 442,309 Shares were issued on 5 May 2021 with an expiry date of 31 March 2025* and an exercise price of 12 pence per Share;
- (f) Warrants over 3,125,000 Shares were issued on 11 May 2022 with an expiry date of 31 March 2025 (amended on 31 March 2023, from 31 March 2023 to 31 March 25 by Deed Poll) and an exercise price of 12 pence per Share.

- (g) Warrants over 342,857 Shares were issued on 11 May 2022 with an expiry date of 6 October 2024 and an exercise price of 14 pence per Share.
- (h) Warrants over 375,000 Shares were issued on 11 May 2022 with an expiry date of 24 April 2025 and an exercise price of 8 pence per Share.
- (i) Warrants over 5,203,498 Shares were issued on 26 June 2022 with an expiry date of 31 March 2025* and an exercise price of 12 pence per Share. These warrants replaced the warrants cancelled on 26 June 2022 pursuant to an offer on 26 April 2022 made by the Company to warrant holders which previously held warrants exercisable at 20 pence per Share.
- (j) Warrants over 1,875,000 Shares were issued on 8 November 2022 with an expiry date of 3 years from the drawdown of the loan amounts that they were issued in payment for. These drawdowns were made between the 15 November 2022 and 7 December 2022. They all have an exercise price of 12 pence. These warrants were cancelled and replaced with conditional warrants as described in paragraph 21.6(f) of Part VII of this Document.

* The expiry date of these warrants was amended from 31 March 2023 to 31 March 2025 by the Warrant holders at a Warrant holder Meeting held on the 30 March 2023.

- 3.5 The Directors and Senior Manager have the following interests in Warrants (including any Piggyback Options) on the date of this Document and at Admission. In addition, subject to passing the Shareholder Authority Resolutions, the Directors and Senior Manager will hold the following interests:

	At the date of this Document	On Admission (including Fee Shares)	Following Shareholder Authority Resolutions*
Martin Wood	250,000	250,000	1,250,000
Cédric Simonet	100,000	100,000	100,000
Audrey Mothupi	100,000	100,000	100,000
Christian Taylor-Wilkson	450,000	450,000	2,850,000
Louise Adrian	—	—	600,000
Simon Charles	—	—	—

* includes Piggyback Options

- 3.6 Following Admission, subject to the Shareholder Authority Resolutions being passed, under the Fundraising Warrant Instrument created by the Company, the Company will issue the 40,000,000 Fundraising Warrants to Placees and Subscribers exercisable at 10p at any time from the date of grant of the Fundraising Warrants for two years. As described in paragraph 21.6(h) of this Part VII, the Fundraising Warrant Instrument creates the Fundraising Warrants and the Piggyback Options which the Company may be required to issue in the future.
- 3.7 In addition, following Admission, subject to the Shareholder Authority Resolutions being passed, under the Optiva Warrant Instrument, the Company will issue to Optiva 2,012,760 IPO Broker Warrants exercisable at the Placing Price at any time from the date of grant for three years and up to 500,000 Performance Warrants exercisable at the Placing Price for a period of 3 years from the date of grant. 50% of the Performance Warrants shall only vest if the 5-day VWAP of the Company exceeds a 100% premium to the Placing Price, and the remainder shall only vest if the 5-day VWAP of the Company exceeds a 200% premium to the Placing Price. Optiva is also the holder of Convertible Loan Notes as detailed in paragraph 21.14 of this Part VII of this Document and in connection with the CLNs the Company will, pursuant to the CLN Warrant Instrument and CLN Broker Warrant Instrument, respectively, each subject to the Shareholder Authority Resolutions being passed, issue 11,000,000 CLN Warrants and 550,000 CLN Broker Warrants details each of which are set out in paragraphs 21.4 and 21.5 of this Part VII of this Document. Subject to the Shareholder Authority Resolutions being passed, the Company has also issued the CCL Warrants as described in paragraph 21.6(f) of this Part VII of this Document.

3.8 Further details regarding the terms of the warrants instruments are set out in paragraph 21 of this Part VII “*Additional Information*” of this Document.

General

- 3.9 All the issued Shares are in registered form and are capable of being held in certificated or uncertificated form. The Registrar will be responsible for maintaining the Company’s register of members and arranging for it to be kept at a location within the United Kingdom. Temporary documents of title will not be issued. The ISIN of the Shares is GB00BFZNV91. The SEDOL of the Shares is BFZNV9. The Deferred Shares can only be held in certificated form.
- 3.10 The Existing Shares rank in full for all dividends or other distributions hereafter declared, made or paid on the Existing Shares and the New Ordinary Shares will rank *pari passu* in all other respects with other Existing Shares in issue on Admission. The Deferred Shares carry no right to receive any dividend.
- 3.11 The resolution passed on 11 January 2023, disapplied the pre-emption rights in the Articles in respect of the issue for cash of Shares with an aggregate nominal amount of £450,000 (“**Authorised Limit**”) plus on the issue of Shares arising from the exercise of options and warrants outstanding on 11 January 2023 and, therefore, statutory pre-emption rights do not apply. Such authority expires at the conclusion of the next annual general meeting of the Company, unless such authority is varied, revoked or renewed prior to such date by a special resolution of the Company in general meeting, save that the Company may before such expiry make offers or agreements which would or might require equity securities to be issued or granted after such expiry and the Directors of the Company may issue or grant equity securities in pursuance of any such offer or agreement notwithstanding that the authority given to the Directors of the Company pursuant to the above resolution have expired.
- 3.12 Application has been made for the Enlarged Issued Share Capital to be admitted to the Official List, by way of a Standard Listing, and to trading on the London Stock Exchange’s main market for listed securities. A Standard Listing will afford investors in the Company a lower level of regulatory protection than that afforded to investors in companies with Premium Listings on the Official List, which are subject to additional obligations under the Listing Rules. It should be noted that the FCA will not have authority to (and will not) monitor the Company’s compliance with any of the Listing Rules that the Company has indicated herein that it intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Company to so comply.
- 3.13 Save as disclosed in paragraph 3 of this Part VII “*Additional Information*” as at the date of this Document:
- (a) no issued Shares of the Company are under option or have been agreed conditionally or unconditionally to be put under option;
 - (b) no Share or loan capital of the Company has been issued or is now proposed to be issued, fully or partly paid, either for cash or for a consideration other than cash;
 - (c) no commission, discount, brokerage or any other special term has been granted by the Company or is now proposed in connection with the issue or sale of any part of the Share or loan capital of the Company;
 - (d) no persons have preferential subscription rights in respect of any Share or loan capital of the Company or any subsidiary; and
 - (e) no amount or benefit has been paid or is to be paid or given to any promoter of the Company.
 - (f) the Company will have no short, medium or long-term indebtedness.

4 Substantial Shareholders

- 4.1 Save for the interests of the Directors and Senior Manager which are set out in paragraph 5.1 of this Part VII “Additional Information”, the Company is aware of the following persons who hold, or will on Admission hold, directly or indirectly, voting rights representing three per cent. (3%) or more of the Voting Rights of the Company:

Shareholder	Number of Shares as at the date of this Document	Percentage of Existing Share Capital	Number of Shares on Admission	Percentage of Issued Shares on Admission	Fully Diluted Holding and Percentage on Admission*	Fully Diluted Holding and Percentage on Admission and on grant of the Conditional Warrants**
James Brearley Crest Nominees Limited ²	8,647,970	23.07%	25,757,973	31.26%	25,757,973 (25.61%)	59,977,979 (28.88%)
Jim Nominees Limited ¹	6,859,406	18.30%	6,859,406	8.32%	9,984,406 (9.93%)	9,984,406 (4.81%)
Mr Heiko Thomas (James Brearley)	2,663,733	7.11%	2,663,733	3.23%	2,972,233 (2.95%)	2,972,233 (1.43%)
Christian Taylor-Wilkinson	1,912,371	5.10%	3,862,371	4.69%	4,312,371 (4.29%)	6,712,371 (3.23%)
Winterflood Securities Limited	1,585,134	4.23%	1,585,134	1.92%	1,585,134 (1.58%)	1,585,134 (0.76%)
Aurora Nominees Limited ²	1,544,615	4.12%	1,544,615	1.87%	1,544,615 (1.54%)	1,544,615 (0.74%)
LAWSHARE NOMINEES LIMITED ²	1,472,362	3.93%	1,472,362	1.79%	1,472,362 (1.46%)	1,472,362 (0.71%)
INTERACTIVE INVESTOR SERVICES NOMINEES LIMITED ²	1,427,138	3.81%	1,427,138	1.73%	1,427,138 (1.42%)	1,427,138 (0.69%)
Optiva Sec (James Brearley)	1,264,281	3.37%	4,035,818	4.90%	4,753,675 (4.73%)	27,459,509 (13.22%)
Mr Karl-Erik von Bahr* (in the JIM Nominees balance)	1,250,000	3.33%	1,250,000	1.52%	1,250,000 (1.24%)	1,250,000 (0.60%)
Jub Capital	—	—	9,864,460	11.97%	9,864,460 (9.81%)	29,593,380 (14.25%)
John Story	—	—	5,000,000	6.07%	5,000,000 (4.97%)	15,000,000 (7.22%)
Align – Catalyse Capital Limited***	—	—	1,720,000	2.09%	1,720,000 (1.71%)	9,220,000 (4.44%)

¹ Shares held in a nominee account – Only one individual is a substantial beneficial owner over 3% of the Enlarged Share Capital (Karl-Erik von Bahr holds 1,250,000 shares at 3.33%. Post Admission this will be below the 3% level both Enlarged Share Capital and on a Fully Diluted basis.)

² Shares held in a nominee account – no individual holdings over 3%.

* Fully diluted basis on Admission assumes all Existing Warrants are exercised up to the maximum amount.

** Fully diluted basis on the grant of the Conditional Warrants assumes the Shareholder Authority Resolutions have been passed, all Conditional Warrants including Piggyback Options are exercised up to the maximum amount and the CLNs have been converted in full.

***This includes the CCL Amendment Fee Shares to be issued to CCL on Admission.

On Admission, such Shareholders will not have special Voting Rights in relation to the Shares and the Shares owned by them will rank *pari passu* in all respects with other Shares.

- 4.2 The Company is not aware of any person who, either as at the date of this Document or immediately following Admission, exercises, or could exercise, directly or indirectly, jointly or severally, control over the Company.
- 4.3 Any person who is directly or indirectly interested in five per cent. (5%) or more of the Company’s Voting Rights, is required to notify such interests to the Company in accordance with the provisions of Chapter 5 of the Disclosure Guidance and Transparency Rules, and such interests will be notified by the Company to the public.
- 4.4 No Shareholder of the Company holds any class of share that at the date of this Document or following Admission will have different Voting Rights from other holders of Shares.

5 Interests of the Directors and Senior Manager

5.1 The interests of the Directors, the Senior Manager and their respective Connected Persons (within the meaning of section 252 of the Companies Act) in the issued share capital of the Company, on Admission, all of which are beneficial, are as follows:

Name	Number of Existing Shares as at the date of this Document	Number of Placing Shares subject to Admission	Number of shares in lieu of fees	Number of Shares at Admission	% interest in Enlarged Share Capital on Admission*	Fully Diluted Holding and Admission*	Fully Diluted Holding and Admission**
						Percentage on Admission*	Percentage on Admission**
Christian Taylor-Wilkinson	1,912,371 ¹	1,200,000	750,000	3,862,371	4.69%	4,312,371 (4.29%)	6,712,371 (3.23%)
Martin Wood	538,462 ²	500,000	350,000	1,388,462	1.68%	1,638,462 (1.63%)	2,638,462 (1.27%)
Cedric Simonet	281,511	–	574,200	855,711	1.04%	955,711 (0.95%)	955,711 (0.46%)
Louise Adrian	–	300,000	–	300,000	0.36%	300,000 (0.30%)	900,000 (0.43%)
Audrey Mothupi	–	–	–	–	0.00%	100,000 (0.10%)	100,000 (0.05%)
Simon Charles	–	–	–	–	0.00%	0	0%

¹ 66,560 of these shares are held in a nominee account with Interactive Investor Services Nominees Limited.

² All 538,462 of these shares are held in a nominee account with Vidacos Nominees Limited.

* Fully diluted basis on Admission assumes all Existing Warrants are exercised up to the maximum amount.

** Fully diluted basis on the grant of the Conditional Warrants assumes the Shareholder Authority Resolutions have been passed, all Conditional Warrants including Piggyback Options are exercised up to the maximum amount and the CLNs have been converted in full.

5.2 Save as disclosed in this paragraph 5 and the warrants and share options in paragraphs 3 and 21 of this Part VII “Additional Information”, as at the date of this Document, no Director or member of the administrative, management or supervisory bodies have any interests in options or warrants or in the issued share capital of the Company.

6 Directors’ and Senior Manager Service Agreements

6.1 Martin Wood

The Company and Mr Wood have entered into a letter of appointment dated 26 October 2020, as amended by a letter of agreement dated 1st November 2021, pursuant to which Mr Wood is appointed as the Non-Executive Chairman. The Company paid an annual fee of £35,000 for the first year of appointment, which will be satisfied by the issue of Shares at an issue price of 6.5 pence per Share. Thereafter, the fee increased to £70,000 per annum and became payable in cash. The appointment is intended to be for a term of 3 years, but this may be extended by the Company. The appointment can be terminated by the Company or director on giving the other three months written notice, or the Company can terminate earlier for cause. Mr Wood has agreed that following termination of his position, not to be involved as director or shareholder of, or consultant to, any competing company for a period of 9 months. The Company and Mr Wood amended this contract on the 30 May 2023, to reduce the annual salary to £60,000, which, for the 12-month period following Admission, Mr. Wood may elect, on a quarterly basis in arrears, will be satisfied in cash or by the issue of Shares, at an issue price equal to the 10-day VWAP at the end of such quarter.

6.2 Cédric Simonet

The Company and Mr Simonet have entered into a services agreement dated 30 May 2023, which replaces his current contract and takes effect from Admission, pursuant to which Mr Simonet will be employed as Chief Executive Officer of the Company. Mr Simonet will be paid an annual salary of £120,000. The employment is full time, subject to an entitlement to 30-days holiday in each calendar year. Mr Simonet is entitled to participate in the Company’s share option plans and may be awarded a bonus at the discretion of the Company. Each

party may terminate the employment on giving 90-days' notice. The Company has a right to pay salary in lieu of notice. The Company may terminate without notice for cause. On termination of the employment, Mr Simonet is subject to restrictive covenants for a period of 180-days in respect of working for a competing business or soliciting the business of any customer or offering to employ/engage any senior person.

6.3 **Audrey Mamoshoeshoe Mothupi**

The Company and Ms Mothupi have entered into a letter of appointment dated 5 February 2021, pursuant to which Ms Mothupi is appointed as a Non-Executive Director. The Company will pay an annual fee of £24,000 per annum, payable monthly in arrears. The appointment is intended to be for a term of 3 years, but this may be extended by the Company. The appointment can be terminated by the Company or director on giving the other three months written notice, or the Company can terminate earlier for cause. Ms Mothupi has agreed that following termination of her position, not to be involved as director or shareholder of, or consultant to, any competing company for a period of 9 months.

6.4 **Simon Charles**

The Company and Mr Charles have entered into a letter of appointment dated 30 May 2023, pursuant to which Mr Charles is appointed as a Non-Executive Director. The Company will pay an annual fee of £35,000 per annum, payable monthly in arrears. The appointment is intended to be for a term of 3 years, but this may be extended by the Company. The appointment can be terminated by the Company or director on giving the other three months written notice, or the Company can terminate earlier for cause. Mr Charles has agreed that following termination of his position, not to be involved as director or shareholder of, or consultant to, any competing company for a period of 9 months.

6.5 **Louise Adrian**

The Company and Mrs Adrian have entered into a services agreement dated 30 May 2023, pursuant to which Mrs Adrian will be employed as Chief Financial Officer of the Company. Mrs Adrian will be paid an annual salary of £24,000 payable as to ¼ quarterly in arrears and to be satisfied by the issue of Shares at an issue price equal to 10-day VWAP at the end of such quarter. The employment is part-time, subject to an entitlement to 15-days holiday in each calendar year. Mrs Adrian is entitled to participate in the Company's share option plans and may be awarded a bonus at the discretion of the Company. Each party may terminate the employment on giving 90-days' notice. The Company has a right to pay salary in lieu of notice. The Company may terminate without notice for cause. On termination of the employment, Mrs Adrian is subject to restrictive covenants for a period of 90-days in respect of working for a competing business or soliciting the business of any customer or offering to employ/engage any senior person.

6.6 **Christian Taylor-Wilkinson**

The Company and Mr Taylor-Wilkinson have entered into an employee contract, dated 30 May 2023 to take effect from Admission, pursuant to which Mr Taylor-Wilkinson is employed as the Business Development Officer of the Company. Mr Taylor-Wilkinson is paid an annual salary of £150,000, subject to the usual employee deductions. He will receive £25,000 of this in Altona Ordinary Shares, issued as to ¼ quarterly in arrears, at an issue price equal to the 10-day VWAP at the end of such quarter. The Company may award a bonus and Mr Taylor-Wilkinson is entitled to participate in the Company's share option plans. The agreement also provides for an increase on the annual salary where certain conditions are met. The first review of salary shall occur on 1 January 2023. The employment is full time, subject to an entitlement to 30-days holiday in each calendar year. Each party may terminate the employment on giving 6 months' notice. The Company has a right to pay salary in lieu of notice. The Company may terminate without notice for cause. On termination of the employment, Mr Taylor-Wilkinson is subject to restrictive covenants for a period of 180-days in respect of working for a competing business or soliciting the business of any customer or offering to employ/engage any senior person.

7 Summary of Memorandum and Articles of Association

The Company is incorporated in England and Wales as a company under the provisions of the Companies Act and therefore is subject to English law. Set out below is a summary of the main provisions of the constitutional documents of the Company and is not intended to provide a comprehensive review of the applicable law, or of all provisions.

7.1 Memorandum of Association

The provisions contained in the Company's Memorandum of Association determining its objects state that the Company's main activity is that of a general commercial company.

7.2 Shares

Subject to any limitation or provisions to the contrary contained in the memorandum or articles of association of a company, the issuance of shares and other securities in a company are under the control of its Directors. Under the Articles all unissued shares in the Company shall be at the disposal of the Board who, subject to being authorised to do so by the Company by an ordinary resolution, may allot (with or without conferring rights of renunciation), grant options over, offer or otherwise deal with or dispose of them or rights to subscribe for or convert any security into shares to such persons, at such times and generally on such terms and conditions as the Board may decide.

7.3 Articles of Association

The Articles of the Company, contain, *inter alia*, the following provisions relating to the rights attaching to Shares:

- (a) There are no rights of pre-emption in respect of transfers of issued Shares. However, in certain circumstances, the Company's Shareholders may have statutory pre-emption rights under the Companies Act in respect of the allotment of new shares in the Company. These statutory pre-emption rights would require the Company to place new shares for allotment of existing Shareholders on a pro-rata basis before allotting them to other persons. In such circumstances, the procedure for the exercise of such statutory pre-emption rights would be set out in the documentation by which such shares are offered to the Company's Shareholders.
- (b) In order to transfer Shares, the instrument of transfer of any such shares must be in any usual form or in such other form as may be approved by the Directors and must be executed by or on behalf of the transferor and, if the shares are not fully paid, by or on behalf of the transferee. The Articles contain no restrictions on the free transferability of fully paid shares, provided that the transfer is in respect of only one class of share and is accompanied by the share certificate and any other evidence of title required by the Directors and that the provisions in the Articles relating to the deposit of instruments for transfer have been complied with.
- (c) Each Share confers the rights to receive notice of and attend all meetings of shareholders. Each holder of Shares present at a general meeting in person or by proxy has one vote, and, on a poll, one vote for each Share of which he is the holder.
- (d) On a winding up a liquidator may, with the sanction of an extraordinary resolution of the Company, divide amongst the holders of the Company's shares (in specie or in kind) the whole or any part of the assets of the Company, and may, with the like sanction, determine how such diversion is to be carried out.
- (e) The Shares confer upon their holders the right to participate in any profits which the Company may from time to time determine to distribute in respect of any financial period.
- (f) Subject to the provisions of the Companies Act and if the profits of the Company justify such payments, the Directors may declare and pay interim dividends on shares of any class of such amounts as and when they think fit. All dividends are apportioned and paid pro-rata according to the amounts paid on the shares. No dividend or other monies payable on or in respect of a share will bear interest as against the Company. The Directors may retain any dividend or other monies payable on or in respect of a share on which the Company has a lien and may apply them towards the satisfaction of the debts, liability or engagements in respect of a lien. A dividend may be retained

if a shareholder has failed to comply with the statutory disclosure requirements of the Companies Act. Any dividend unclaimed for twelve years will be forfeited and revert to the Company.

- (g) Subject to the provisions of the Companies Act, the Company may purchase any of its own shares, provided that the terms of any contract under which the Company will or may become entitled or obliged to purchase its own shares be authorised by an ordinary resolution of the Company in a general meeting before the Company enters such a contract.
- (h) All or any of the rights or privileges attached to any class of shares in the Company may be varied or abrogated with the consent in writing of the holders of three quarters in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of that class. At every such separate general meeting the quorum is two persons holding or representing by proxy one-third in nominal value of the issued shares of that class.
- (i) The Company may make arrangements for any class of its shares to be issued in uncertificated form and in accordance with and subject as provided in The Uncertificated Securities Regulations 2001 and transfer of title of those shares shall be effected by means of relevant system in the manner provided for and subject as provided for in the Uncertificated Securities Regulations 2001. Shares held in certificated form and those held in uncertificated form may be changed to certificated form.

Shares are defined in the Articles as “shares in the Company”. The rights attaching to the shares, as set out in the Memorandum and the Articles, and other key provisions, are set out as follows.

Rights of Shareholders

The Articles provide that each Share confers upon the Shareholder (but not on the holders of the Deferred Shares, except as specified or in relation to class meetings):

- (a) the right to one vote on a show of hands and on a poll to one vote for every share of which he is the holder at a meeting of the Shareholders;
- (b) the right to receive dividends according to the amounts paid up (otherwise than in advance of calls) on the shares on which the dividend is paid by the Company; and
- (c) the right in the distribution of the surplus assets of the Company on its liquidation to a share in proportion to the amount to which, at the commencement of the winding, the shares held by him are paid up.

Variation of rights

Subject to the provisions of the Companies Act, if at any time the share capital of the Company is divided into shares of different classes any of the rights for the time being attached to any share or class of shares in the Company may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated in such manner (if any) as may be provided by such rights or, in the absence of any such provision, either with the consent in writing of the holders of not less than three quarters of the issued shares of the class or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of the class duly convened and held as provided in the Articles. The foregoing provisions of this paragraph shall apply also to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the separate rights of which are to be varied.

Transfers of shares

Each member may transfer all or any of his shares in the case of certificated shares by instrument of transfer in writing in any usual form or in any form approved by the Board or in the case of uncertificated shares without a written instrument in accordance with the Uncertificated Regulations. Any written instrument shall be executed by or on behalf of the

transferor and (in the case of a transfer of a share which is not fully paid up) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect of it.

The Directors may also, in their absolute discretion, refuse to register any transfer of a certificated share unless the following conditions are satisfied:

- (a) it is in respect of only one class of shares;
- (b) it is in favour of a single transferee or not more than four joint transferees;
- (c) it is duly stamped (if so required); and
- (d) it is delivered for registration to the registered office of the Company or such other place as the Directors may decide, accompanied by the certificate for the shares to which it relates (except in the case of a person to whom the Company is not required by sections 769, 776, 777 or 778 of the Companies Act to issue a certificate, or in the case of a renunciation) and such other evidence as the Directors may reasonably require to prove the title of the transferor or person renouncing and the due execution by him of the transfer or renunciation or, if the transfer or renunciation is executed by some other person on his behalf, the authority of that person to do so,

provided that if the Directors refuse to register the transfer, the instrument of transfer must be returned to the transferee as soon as practicable and in any event within 2 months, with the notice of refusal and reasons for refusal unless they suspect that the proposed transfer may be fraudulent. The Board will not exercise such discretion if it would conflict with the Listing Rules.

Purchase and Redemption of shares

Shares may be purchased, redeemed or otherwise acquired for any consideration provided that such redemption or acquisition does not contravene the requirements of the Companies Act.

Payment of dividends

Subject to the provisions of the Companies Act and the Articles, the Company may, by ordinary resolution declare that dividends out of the Company's profits may be paid to members according to their respective rights and interests in the profits of the Company. However, no dividend shall exceed the amount recommended by the Board. The Deferred Shares carry no right to a dividend.

The Board may declare and pay such interim dividends (including any dividend payable at a fixed rate) as appear to the Directors that the profits available for distribution justify the payment. If the Company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears. If the Directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

All dividends, interest or other sum payable and unclaimed after having been declared and become payable may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends unclaimed for a period of twelve years after having become due for payment shall (if the Board so resolves) be forfeited and shall revert to the Company.

Unless otherwise provided by the rights attached to the share no dividend or other moneys payable by the Company or in respect of a share shall bear interest as against the Company.

Return of capital

Under the Articles, on a voluntary winding up of the Company the liquidator may, on obtaining any sanction required by law, divide among the members in kind the whole or any part of the assets of the Company, whether or not the assets consist of property of one kind or of different lands; and vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he, with the like sanction, shall determine. The holders of the Deferred Shares have limited rights to a return on capital.

Borrowing powers

The business and affairs of the Company may be managed by, or under the direction or supervision of the Board. The Board has all the powers necessary for managing and for directing and supervising, the business and affairs of the Company. Subject to the Articles and to the provisions of the Companies Act, the Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, and all or any part of its property and uncalled capital, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

Directors

- (a) Unless and until otherwise determined by the Company by ordinary resolution the number of Directors (other than any alternate Directors) shall be not less than two and there shall be no more than 15 Directors.
- (b) At every Annual General Meeting at least one third of the Directors who are subject to retirement by rotation, provided that if there is only one Director who is subject to retirement by rotation, he shall retire.
- (c) Without prejudice to the power of the Company to appoint any person to be a Director pursuant to the Articles the Board shall have power at any time to appoint any person who is willing to act as a Director, either to fill a vacancy or as an addition to the existing Board, but the total number of Directors shall not exceed any maximum number fixed in accordance with the Articles. Any Director so appointed shall hold office only until the annual general meeting of the Company next following such appointment and shall then be eligible for re-election but shall not be taken into account in determining the number of Directors who are to retire by rotation at that meeting. If not re-appointed at such annual general meeting, he shall vacate office at the conclusion thereof.
- (d) The Company may by resolution remove any Director before the expiration of his period of office notwithstanding anything in the Articles or in any agreement between the Company and such Director and, without prejudice to any claim for damages which he may have for breach of any contract of service between him and the Company, may (subject to the Articles) by resolution appoint another person who is willing to act to be a Director in his place.
- (e) No shareholding qualification is required by a Director.
- (f) The Directors may by resolution of Directors appoint officers of the Company at such times as may be considered necessary or expedient.

Meetings of Shareholders

Subject to the Companies Act, the Company must hold an annual general meeting in each period of six months beginning with the day following its accounting reference date (in addition to any other general meeting held in that period). Any annual general meeting so convened shall be held at such a time and place as the Board may determine.

The Directors may call a general meeting whenever they think fit. At any meeting so convened (or any meeting requisitioned pursuant to section 303 of the Companies Act) no business shall be transacted except that proposed by the Board or stated by the requisition. If there are not sufficient members of the Board to convene a general meeting, any Director or any member of the Company may call a general meeting.

Any annual general meeting shall be convened by not less than twenty-one clear days' notice in writing. Other general meetings shall be convened by not less than fourteen clear days' notice in writing. Notwithstanding that a meeting is convened by a shorter notice than that specified in the Articles, it shall be deemed to have been properly convened if it is so agreed by all members entitled to attend and vote in the meeting.

No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending the meeting do not constitute a quorum. If the Company has only one member entitled to attend and vote at the general meeting, one qualifying person present at the meeting and entitled to vote is a quorum; provided that in all cases two qualifying persons present at the meeting and entitled to vote are a quorum.

If a general meeting was requisitioned by members holding the Shares and the persons attending the meeting within 30 minutes of the time at which the meeting was due to start (or such longer time as the chairman of the meeting decides to wait) do not constitute a quorum, or if during the meeting a quorum ceases to be present, the meeting is dissolved. In the case of a general meeting other than one requisitioned by members, if the persons attending the meeting within 30 minutes of the time at which the meeting was due to start (or such longer time as the chairman of the meeting decides to wait) do not constitute a quorum, or if during the meeting a quorum ceases to be present, the chairman of the meeting must adjourn it. The continuation of a general meeting adjourned for lack of quorum is to take place either: on a day that is not less than 14 days but not more than 28 days after it was adjourned and at a time and/or place specified for the purpose in the notice calling the meeting; or where no such arrangements have been specified, on a day that is not less than 14 days but not more than 28 days after it was adjourned and at such time and/or place as the chairman of the meeting decides (or, in default, the Directors decide). At an adjourned meeting the quorum is one qualifying person present and entitled to vote. If a quorum is not present within five minutes from the time fixed for the start of the meeting, the adjourned meeting is dissolved.

Pre-emption rights of Shareholders

Shareholders have pre-emption rights as set out in the Companies Act, subject to any additional authority given by special resolution. The pre-emption provisions shall not apply to the allotment of any shares for a consideration other than cash or in connection with an employees' share scheme, and, accordingly, the Directors may allot or otherwise dispose of any unissued shares in the capital of the Company for a consideration other than cash to such persons at such times and generally on such terms as they may think fit.

A reference in the foregoing paragraphs to the allotment of any shares includes the grant of a right to subscribe for, or to convert any securities into, shares but such reference does not include the allotment of any relevant shares pursuant to such a right.

Management

Subject to the provisions of the Companies Act, the Memorandum and the Articles and to any directions given by special resolution of the Company, the business of the Company shall be managed by the Board, which may exercise all the powers of the Company whether relating to the management of the business or not. No alteration of the Memorandum or the Articles and no such direction given by the Company shall invalidate any prior act of the Board which would have been valid if such alteration had not been made or such direction had not been given. Provisions contained in the Articles as to any specific power of the Board shall not be deemed to limit the general powers given by the Articles.

Accounting and auditing requirements

Under the Articles the Directors must ensure that accounting records are kept in accordance with the Companies Act. The accounting records shall be kept at the registered office of the Company or, subject to the Companies Act, at another place decided by the Directors and shall be available during business hours for the inspection of the Directors and other officers. No member (other than a Director or other officer) has the right to inspect an accounting record or other document except if that right is conferred by the Companies Act or he is authorised by the Directors or by an ordinary resolution of the Company.

The Directors may determine that persons entitled to receive a copy of the Company's annual accounts, the directors' report, the strategic report, the directors' remuneration report, the auditors' report on those accounts and on the auditable part of the directors' remuneration report are those persons entered on the register at the close of business on a

day determined by the Directors; provided that, if the Company is a participating issuer, the day determined by the Directors may not be more than 21 days before the day that the relevant copies are being sent.

A printed copy of the Directors' and auditors' reports accompanied by printed copies of the annual accounts (including every document required by law or regulations applicable to the Company to be comprised in them or annexed or attached to them) shall not less than twenty-one clear days before the meeting before which they are to be laid, be delivered, sent by post or sent by Electronic Communication to every member who is entitled to receive notices from the Company and holder of debentures of the Company and to the auditors and to every other person who is entitled to receive notice of general meetings.

Winding up

The Board shall have power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up.

Under the Articles, on a voluntary winding up of the Company the liquidator may, on obtaining any sanction required by law, divide among the members in kind the whole or any part of the assets of the Company, whether or not the assets consist of property of one kind or of different kinds; and vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he, with the like sanction, shall determine.

If the Company is wound up the liquidator may, set the value he deems fair on a class or classes of property; and determine on the basis of that valuation and in accordance with the then existing rights of members how the division is to be earned out between members or classes of members. The liquidator may not, however, distribute to a member without his consent an asset to which there is attached a liability or potential liability for the owner.

Disclosure of Interests in shares

The provisions of Chapter 5 of the Disclosure Guidance and Transparency Rules and section 793 of the Companies Act apply to the disclosure of interests in shares.

Chapter 5 details the circumstances in which a person may be obliged to notify the Company that he has an interest in voting rights in respect of shares (a "**notifiable interest**"). An obligation to notify the Company arises: (a) when a person becomes or ceases to be interested (by way of a direct or indirect holding of shares or of certain "Qualifying Financial Instruments" (as defined in the Disclosure Guidance and Transparency Rules) or other instruments creating a long position on the economic performance of the shares) in three per cent. or more of the voting rights attaching to the shares; and (b) where such person's interests alters by a complete integer of one per cent. of the voting rights attaching to the shares.

The Companies Act permits the Company to serve a notice on any person where the Company has reasonable cause to believe such person is interested in the shares or has been interested in the shares at any time during the three years immediately preceding the date on which the notice is issued. Such notice may require the person to confirm or deny that he has or was interested in the shares and, if holds, or has during that time held, any such interest to give such further information as may be required in accordance with the Articles. Where such Shareholder fails to comply with the terms of the notice within the period specified in such notice the Shareholder will be in default (such Shareholder's shares being referred to as "**Default Shares**"). The Board may direct that voting rights and dividend rights be suspended in respect of Default Shares.

Under the Disclosure Guidance and Transparency Rules, a person must notify the Company of the percentage of its voting rights if, at any time after the date on which the Articles came into force the percentage of voting rights which he holds as shareholder or through his direct or indirect holding of financial instruments (or a combination of such holdings):

- (a) reaches, exceeds or falls below 3 per cent, 4 per cent, 5 per cent, 6 per cent, 7 per cent, 8 per cent, 9 per cent, 10 per cent and each 1 per cent threshold thereafter up to 100 per cent; or

- (b) reaches, exceeds or falls below an applicable threshold in (a) as a result of events changing the breakdown of voting rights and on the basis of information disclosed by the Company in accordance with the Articles.

A person shall not be required to aggregate his holdings in the circumstances prescribed in rule 5.4 of the Disclosure Guidance and Transparency Rules.

The Company must at the end of each calendar month during which an increase or decrease has occurred, notify to a Regulatory Information Service for distribution to the public the total number of voting rights and capital in respect of each class of share which it issues.

An obligation to give a notice to the Company in relation to notifying of the change in his percentage of voting rights shall be fulfilled as soon as possible and in any event before the end of the second working day after the relevant person learns the relevant threshold was reached or crossed.

In addition, under the Articles, and in accordance with the process set out under the Articles, where notice is served by the Company under section 793 of the Act (a “**section 793 notice**”) on a member, or another person appearing to be interested in shares held by that member, and the member or other person has failed in relation to any shares (the “**default shares**”, which expression includes any shares allotted or issued after the date of the section 793 notice in respect of those shares) to give the Company the information required within the prescribed period from the date of service of the section 793 notice, the following sanctions apply, unless the Directors otherwise decide:

- (1) the member shall not be entitled in respect of the default shares to be present or to vote (either in person, by proxy or by corporate representative) at a general meeting or at a separate meeting of the holders of a class of shares or on a poll; and
- (2) where the default shares represent at least 0.25 per cent in nominal value of the issued shares of their class (excluding any share of their class held as treasury shares):

a dividend (or any part of a dividend) or other amount payable in respect of the default shares shall be withheld by the Company, which has no obligation to pay interest on it, and the member shall not be entitled to elect, under article 106, to receive shares instead of a dividend, and

no transfer of any certificated default shares shall be registered unless the transfer is an excepted transfer; or

- (i) the member is not himself in default in supplying the information required; and
- (ii) the member proves to the satisfaction of the Directors that no person in default in supplying the information required is interested in any of the shares the subject of the transfer.

7.4 ***Dividends and distributions***

Subject to the provisions of the Companies Act, the Company’s memorandum and articles of association, Directors may declare dividends to the holders of the Shares (excluding the Deferred Shares) in money, shares or other property provided they determine the company will pass the solvency test (i.e. the value of the company’s assets will exceed its liabilities and it will be able to meet its debts as they fall due).

8 **City Code on Takeovers and Mergers**

The City Code will apply to the Company following Admission.

The City Code is issued and administered by the Takeover Panel. The Takeover Panel has been designated as the supervisory authority to carry out certain regulatory functions in relation to takeovers pursuant to under Chapter 1 of Part 28 of the Companies Act 2006. The rules in the City Code which are derived from the Act now have a statutory basis.

The City Code applies to all takeovers and merger transactions, however effected, where *inter alia*, the offeree company is a public company which has its registered office in the United Kingdom, the Isle of Man or the Channel Islands, if the company has its securities admitted to trading on a regulated market in the United Kingdom or on any stock exchange in the Channel Islands or the Isle of Man. The City Code will therefore apply to the Company from Admission and its Shareholders will be entitled to the protection afforded by the City Code.

Under Rule 9 of the City Code, where: (i) any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares in which persons in which he is already interested and in which persons acting in concert with him are interested) carry 30% or more of the voting rights of a company subject to the City Code; or (ii) any person who, together with persons acting in concert with him, is interested in shares which in the aggregate carry not less than 30% but not more than 50% of the voting rights of such a company, if such person, or any person acting in concert with him, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which he is interested, then, except with the consent of the Takeover Panel, he, and any person acting in concert with him, must make a general offer in cash to the holders of any class of equity share capital, whether voting or non-voting, and also to the holders of any other class of transferable securities carrying voting rights to acquire the balance of the shares not held by him and his concert party.

Save where the Takeover Panel permits otherwise, an offer under Rule 9 of the City Code must be in cash and at the highest price paid within the 12 months prior to the announcement of the offer for any shares in the company by the person required to make the offer or any person acting in concert with him. Offers for different classes of equity share capital must be comparable; the Takeover Panel should be consulted in advance in such cases.

9 Working capital

The Company is of the opinion that the working capital available to the Group (taking into account the Net Proceeds of the Fundraising receivable by the Company) is sufficient for at least the next 12 months from the date of this Document sufficient for its present requirements.

10 Further Disclosures on Directors and the Senior Manager

10.1 The Directors and the Senior Manager hold or have held the following directorships or are or have been partners in the following partnerships within the five years prior to the date of this Document, other than the Company:

Director	Current directorships and partnerships	Previous directorships and partnerships
Martin Wood	Vicarage Capital Limited Toya Gold SL LHC Mine Finance Limited Hurdwick Golf Course Limited Anromal Gold Limited	Med Web Ltd New Leaf Advisory Limited BrainWorks Limited Nations Resources Limited Petrocapital Resources Limited Cypher Value Metrics Limited
Cédric Simonet	Pinsapo Kenya Limited Akili Mineral Services Limited Swensson & Simonet Minerals (K) Ltd Josephines Investments Limited Red Snapper Limited Monsoon Mines Limited	Verum Inventa Ltd

Director	Current directorships and partnerships	Previous directorships and partnerships
Audrey Mothupi	SystemicLogic Group (Pty) Ltd SystemicLogic Pty Ltd SystemicLogic Technologies (Pty) Ltd SystemicLogic Investments (Pty) Ltd SystemicLogic Advertising and Marketing Pick n Pay Stores Limited Life Healthcare Group Holdings Limited Arden Capital Limited Rodean School Findexable Ltd Pick n Pay Holdings Ltd Betvest 88 CC	Blue Stream Education Calabash Seeds Calabash Tree Investments Nordic Female Business Angel Network Orange Babies South Africa EOH Holdings Ltd SystemicLogic Innovation Agency (Pty) Ltd
Simon Charles	Sweet Truck Haul Limited Marriott Harrison LLP MH Secretaries Limited MH Nominees Limited	The Invicta Film Partnership No. 22, LLP Supply@Me Capital Plc Stubben Edge Group Limited Central Rand Gold Limited
Louise Adrian	The Alliance Multi-Academy Trust	—
Christian Taylor-Wilkinson	GCM Resources Plc Leander PR Ltd 46 Ifield Road Management Ltd	Cadogan Leander Ltd

10.2 At the date of this Document no Director:

- (a) has had any convictions in relation to fraudulent offences within the previous five years prior to the date of this Document;
- (b) has been declared bankrupt or has been a director of a company or been a member of an administrative, management or supervisory body or a senior manager of a company within the previous five years prior to the date of this Document which has entered into any bankruptcy, receivership or liquidation proceedings;
- (c) has been the subject of any official public incrimination and/or sanction by any statutory or regulatory authority (including any designated professional body) within the previous five years prior to the date of this Document;
- (d) has been disqualified by a court from acting as a director of any company or as a member of the administrative, management or supervisory bodies of any company or from acting in the management or conduct of the affairs of any company within the previous five years prior to the date of this Document;
- (e) has any family relationship with any of the other Directors;
- (f) has had any interest, direct or indirect, in any assets which have been or are proposed to be acquired or disposed of by or to the Company, or any such interest in any contract or arrangement subsisting at the date of this Document and which is significant to the business of the Company; and
- (g) has any potential conflict of interest between his duties to the Company and his private interests or other duties.

11 Directors' terms of service

A summary of each Director's Letter of Appointment and executive services agreement are set out in this Part VII of this Document.

12 Capitalisation and indebtedness

Capitalisation

The following table shows the Group's capitalisation as at 31 March 2023 as extracted from the unaudited management accounts of the Group as at that date:

	<i>Unaudited</i> As at 31 March 2023 £'000
Total current debt	
– Guaranteed	—
– Secured	—
– Unguaranteed/Unsecured	190
Total non-current debt (excluding current portion of long-term debt)	
– Guaranteed	—
– Secured	—
– Unguaranteed/Unsecured	275
Total debt	465
Shareholder's equity	
a) Share capital	1,790
b) Share premium	21,404
c) Other reserves	39
Total capitalisation and shareholders equity	23,233

Statement of material change

There has been no material change in the Group's capitalisation between the information above and the date of this Document.

Indebtedness

The following table shows the Group's net liquidity as at 31 March 2023, as extracted from the unaudited management accounts of the Group as at that date:

	<i>Unaudited</i> As at 31 March 2023 £'000
A. Cash	26
B. Cash equivalents	—
C. Other current financial assets	—
D. Liquidity (A) + (B) + (C)	26
E. Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	190
F. Current portion of non-current financial debt	—
G. Current financial indebtedness (E) + (F)	190
H. Net current financial indebtedness (G) – (D)	164

	<i>Unaudited</i> As at 31 March 2023 £'000
I. Non-current financial debt (excluding current portion and debt instruments)	—
J. Debt instruments	275
K. Non-current trade and other payables	—
L. Non-current financial indebtedness (I) + (J) + (K)	275
M. Total financial indebtedness (H) + (L)	439

Statement of material change

As at the date of this document there have been the following material changes to the Group's indebtedness since the unaudited condensed consolidated interim financial information to 31 December 2022. These changes are reflected in the indebtedness statement above:

- On 1st February 2023, the Company created a convertible loan note and immediately drew down £275,000 from the principal. The loan notes carry a rate of interest of 15% per annum and have a maturity date of 15 months.
- On 2 November 2022, the Company entered into a short term loan facility of £150,000 with Catalyse Capital Limited (previously named Align Research Investments Ltd.) ("**CCL**") enabling the Company to drawdown up to £150,000 in two tranches in November, from CCL. The loan facility was amended on 28 January 2023 and 3 May 2023 and provides for the loan to be repaid on the earlier of completion of the Placing and 30 April 2023. CCL was entitled to a fee for entering into the 28 January 2023 amendment of 10% of the outstanding loan, which was added to the principal of the loan. The loan carries a fixed interest rate of 15%. The entirety of the initial loan was drawn down in November and December 2022. As consideration for the amendment of 3 May 2023, the Company agreed to satisfy an amendment fee by the issue of 1,000,000 Ordinary Shares to CCL on Admission ("**CCL Amendment Fee Shares**"). CCL also received warrants. A dispute arose with respect to the pricing of the warrants issued to CCL and the date of repayment of the loan. The dispute with CCL has been settled on terms that the initial warrant instrument has been terminated and replaced with a new warrant instrument, which was subsequently amended and restated. The new amended and restated warrant instrument provides, subject to the Shareholder Authority Resolutions being passed, for 7,500,000 warrants, with an exercise period expiring on the third anniversary of Admission. The subscription price of the warrants is the lower of 5 pence each or the price of any equity issuance in excess of £50,000 (excluding any warrants or options granted prior to the date of the warrant instrument) that the Company makes on or before the date falling 18-months from Admission.

13 Pension arrangements

- 13.1 The Company has established a stakeholder pension scheme of which Christian Taylor-Wilkinson is the only participant at the minimum required level. Louise Adrian will join at Admission. There are no existing arrangements or proposals existing in connection with the Admission whereby any member of the administrative, management or supervisory bodies of the Company or any other person which provide for benefits upon termination of employment or in connection with retirement from office with the Company or any of its subsidiaries.

14 Employees and premises

- 14.1 As at the date of this Document, Christian Taylor-Wilkinson and Cédric Simonet are the only employees of the Company.
- 14.2 As at the date of this Document, the Group has no premises.

15 Subsidiaries

- 15.1 At the date of this Document and on Admission, the Company has six dormant subsidiaries as noted below and one operational subsidiary, Monte Muambe Mining Lda.

	Country of Registration	 Holding	 Nature of business
Altona Rare Earths Mauritius Limited ²	Mauritius	100%	Exploration and mining company, incorporated 17 February 2022
Altona Mozambique, Lda ²	Mozambique	100% ³	Exploration and mining company, incorporated 27 May 2022
Altona Mozambique 1II, Lda ²	Mozambique	100% ³	Exploration and mining company, incorporated 27 May 2022
Altona Mozambique III, Lda ²	Mozambique	100% ³	Exploration and mining company, incorporated 27 May 2022
Altona Rare Earths (Uganda) Limited ²	Uganda	100% ¹	Exploration and mining company, incorporated 30 March 2021
Altona Rare Earths (Tanzania) Limited ²	Tanzania	100% ¹	Exploration and mining company, incorporated 5 August 2021
Monte Muambe Mining Lda (Control acquired 11 August 2021 – through Board control)	Mozambique	20%	Exploration and mining company, incorporated 21 August 2019

¹ one share is held by Christian Taylor-Wilkinson as nominee for the Company

² Dormant subsidiaries

³ 0.01% of the capital of the company is held by Cédric Simonet as nominee for the Company

16 Dilution of Share capital

- 16.1 The issue of the New Ordinary Shares will constitute 119.83 per cent. of the Existing and 54.51 per cent. of the Enlarged Share Capital and the interests of Existing Shareholders will be diluted accordingly.

The Directors are authorised to issue Shares pursuant to the grant of the Existing Warrants, each of which have been entered into prior to the date of this Document. The Directors will call a general meeting at which the Shareholder Authority Resolutions will be proposed to give the Directors authority to issue the Fundraising Warrants, IPO Broker Warrants, Performance Warrants, CLN Warrants, CLN Broker Warrants, Convertible Loan Notes and Piggyback Options and the CCL Warrants.

Subject to Admission, the Existing Warrants will represent 18.08 per cent. of the fully diluted issued Shares of the Company at Admission (assuming the Existing Warrants are exercised in full).

Subject to the Shareholder Authority Resolutions being passed and the Fundraising Warrants, IPO Broker Warrants, Performance Warrants, CLN Warrants, CLN Broker Warrants, Convertible Loan Notes and Piggyback Options and CCL Warrants being granted, there will be warrants, options and CLNs that will entitle holders to subscribe for a total of 125,246,561 Shares representing 60.32 per cent. of the fully diluted issued Shares of the Company, assuming all the Conditional Warrants, Convertible Loan Notes and Piggyback Options are exercised in full.

17 Related party transactions

During the period covered by the historical financial information and up to the date of this Document, the Company has not completed any related party transactions except that the Company entered into an agreement with Leander PR Limited, of which Christian Taylor-Wilkinson is a director, for the provision to the Company of marketing, public and investor relations services. This agreement was terminated on 30 June 2021. As at the date of this Document and as of Admission c£50,000 is due to Leander PR Limited.

18 Sources of cash, liquidity and cash uses

18.1 The Company's ability to finance its strategy in the 12 months following Admission and to meet the Group's obligations as they become due will be fulfilled by cash currently held by the Company and the Net Proceeds of the Fundraising. All cash, including the Net Proceeds of the Fundraising will be held in the Company's bank account. It will use such cash primarily to provide working capital to enable it to execute its strategy as described under Part I this Document. As at the date of this Document, the Group had negative cash resources of £32,000.

19 Significant Change

19.1 Since 31 December 2022 (being the date to which the unaudited Interim Financial Information referenced in Part V "Historical Financial Information of the Company" of this Document has been published), there have been the following significant changes in the financial position and performance of the Group:

- On 2 November 2022, the Company entered into a short-term loan facility of £150,000 with Catalyse Capital Limited (previously named Align Research Investments Ltd ("**CCL**") enabling the Company to drawdown up to £150,000 in two tranches in November, from CCL. The loan facility was amended on 28 January 2023 and 3 May 2023 and provides for the loan to be repaid on the earlier of completion of the Placing and 30 June 2023. CCL was entitled to a fee for entering into the 28 January 2023 amendment of 10% of the outstanding loan, which was added to the principal of the loan. The loan carries a fixed interest rate of 15%. The entirety of the initial loan was drawn down in November and December 2022. As consideration for the amendment of 3 May 2023, the Company agreed to satisfy an amendment fee by the issue of 1,000,000 Ordinary Shares to CCL on Admission ("**CCL Amendment Fee Shares**"). CCL also received warrants. A dispute arose with respect to the pricing of the warrants issued to CCL and the date of repayment of the loan. The dispute with CCL has been settled on terms that the initial warrant instrument has been terminated and replaced with a new warrant instrument, which was subsequently amended and restated. The new amended and restated warrant instrument provides, subject to the Shareholder Authority Resolutions being passed, for 7,500,000 warrants, with an exercise period expiring on the third anniversary of Admission. The subscription price of the warrants is the lower of 5 pence each or the price of any equity issuance in excess of £50,000 (excluding any warrants or options granted prior to the date of the warrant instrument) that the Company makes on or before the date falling 18-months from Admission.
- The Company created a convertible loan note in the principal amount of £300,000 on 1 February 2023, £275,000 of which has been subscribed for by the Broker, Optiva Securities Limited ("**Loan Notes**" or "**Convertible Loan Notes**" or "**CLNs**"). There are no other subscribers. The Loan Notes carry a rate of interest of 15% per annum, which interest shall accrue daily on the principal amount of the Loan Notes. Interest is payable to the noteholders in cash twice a year in July and January. The Loan Notes have a maturity date of 15 months from the date of creation of the Loan Notes, unless earlier redeemed in accordance with their terms. Subject to the passing of the Shareholder Authority Resolutions, the noteholders have a right to convert the Loan Notes into Ordinary Shares at any time after Admission at the Placing Price. The Loan Notes are freely transferrable. In connection with the Loan Notes, the Broker may also be issued warrants over 550,000 Shares (the "**CLN Broker Warrants**") which are exercisable for a period of two years from the date of the grant of the warrants, half of which are exercisable at the Placing Price. Subject to the passing of the Shareholder Authority Resolutions, the Loan Note holder may also be issued warrants over 11,000,000 Shares, half of which will be exercisable at 10 pence and the balance being exercisable at 15 pence. The warrants will be exercisable for a period of two years from the date grant of of the warrants.

20 CREST

20.1 The Shares to be issued in connection with the repayment and settlement of the Placing, will be in registered form and may be held in either certificated form or uncertificated form, except as otherwise described herein. CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by certificates and transferred otherwise than by written instrument. The Articles permit the holding of Shares in CREST. Accordingly, settlement of transactions in the Shares following Admission may take place within CREST if any Shareholder so wishes. However, CREST is a voluntary system and Shareholders who wish to receive and retain share certificates are able to do so. The records in respect of Shares held in uncertificated form will be maintained by Euroclear and the Company's Registrars, Share Registrars Limited.

21 Material contracts

The following material contracts are those contracts which have been entered into by the Company: (a) in the two years immediately preceding the date of this Document (other than in the ordinary course of business); and (b) which contain any provision under which the Company has any obligation or entitlement which is material to the Company as at the date of this Document (other than those entered into in the ordinary course of business):

21.1 Placing Agreement

The Company entered into a placing agreement with Optiva and Novum on 30 May 2023 pursuant to which Optiva Securities has agreed (conditional on Admission taking place no later than 9 June 2023 (or such later date as may be agreed by Optiva and the Company but in any event no later than 30 June 2023)), as agent for the Company, to use their reasonable endeavours to place the Placing Shares at the Placing Price with subscribers selected by them. Under the Placing Agreement and subject to it becoming unconditional:

- (a) the Company will pay to Optiva Securities the commission and may issue the warrants under the Optiva Warrant Instrument, subject to the Shareholder Authority Resolutions being passed;
- (b) the Company will pay certain other costs and expenses (including any applicable VAT) of, or incidental to, the Placing including all fees and expenses payable in connection with Admission, expenses of the registrars, printing and advertising expenses, postage and all other legal, accounting and other professional fees and expenses; and
- (c) the Placing Agreement contains warranties and indemnities given by the Company, the Directors and the Proposed Directors, to Optiva Securities and Novum as to the accuracy of the information contained in this Document and other matters relating to the Company and its business.
- (d) Optiva Securities and Novum is entitled to terminate the Placing Agreement in certain specified circumstances prior to Admission.

21.2 Orana Corporate LLP – Services Agreement

On 15 February 2019, the Company entered into a services agreement with Orana Corporate LLP (“Orana”) pursuant to which Orana agreed to provide accounting and bookkeeping services and company secretarial services to the Company. In addition, Orana is to act in the role of chief financial officer for the Company including preparing the financial statements, preparing the audit file for the auditors and assisting with corporation tax returns to HMRC. In addition to termination for cause, either party may terminate the agreement on giving at least 6-months’ written notice of termination. The liability of Orana is limited to the fees paid in the previous 12-months.

The fees for the services are based on the time taken in providing the services based on a £800-day rate with a retainer of £4,000 per month.

Louise Adrian is a consultant to Orana Corporate LLP.

21.3 **Financial Adviser Agreement – Novum Securities**

On 1 December 2021 the Company entered into an engagement letter with Novum pursuant to which Novum agreed to act as Financial Adviser in connection with Admission. Under the engagement letter Novum is entitled to a corporate finance fee. The engagement letter may be terminated by either party giving three months' written notice to the other. Following Admission, Novum will be retained as the Company's Financial Adviser terminable by either party giving three months' written notice to the other, such notice not to be given before the first anniversary of Admission.

21.4 **Broker Agreement – Optiva Securities**

On 22 February 2021, the Company entered into an engagement letter with Optiva Securities Ltd pursuant to which Optiva Securities agreed to act as broker to the Company in connection with any fundraising, including the Placing (the "**Broker Agreement**"). In consideration for this service, the Company will pay the following fees:

- (i) from Admission a retainer of £25,000 per annum, 50% of which will be payable in cash quarterly in advance and 50% of which in the first year of engagement will be satisfied by the issue of Shares at the Placing Price. Thereafter the price for the Shares to be issued in the following years of engagement will be negotiated by the parties;
- (ii) a commission of 6% of the Gross Proceeds of the total funds raised by Optiva Securities, payable in cash on Admission;
- (iii) the issue of warrants representing 6% of the total number of shares subscribed for by investors introduced by Optiva Securities, exercisable at the Placing Price with an exercise period of 3 years from the date of grant ("**IPO Broker Warrants**");
- (iv) if requested, a £10,000 fee for the preparation of an Indication of Coverage Note, payable on publication; and
- (v) £25,000 warrants (the "**Performance Warrants**"), to be granted at the date of the engagement and exercisable at the Placing Price for a period of 3 years from the date of grant. 50% of the Performance Warrants shall only vest if the 5-day VWAP of the Company exceeds a 100% premium to the Placing Price, and the remainder shall only vest if the 5-day VWAP of the Company exceeds a 200% premium to the Placing Price.

21.5 **Optiva Warrant Instrument – IPO Broker Warrants and Performance Warrants**

The Company has entered into the Optiva Warrant Instrument dated 30 May 2023 that provides for the creation of the IPO Broker Warrants and the Performance Warrants, with such warrants to be granted by the Company to Optiva under the Optiva Warrant Instrument subject to the passing of the Shareholder Authority Resolutions.

21.6 **Warrant Instruments**

- (a) A warrant instrument dated 21 January 2021 has been created by the Company pursuant to which warrants can be granted by the board of directors. Each warrant shall entitle the holder to subscribe for one Share, such right exercisable from the date of grant to 31 March 2023. Each Warrant is exercisable at 12 pence per Share. On 30 March 2023, the Company convened a meeting of warrant holders which approved the extension of the final exercise date of the outstanding 12 pence warrants granted pursuant to this warrant instrument until 31 March 2025.
- (b) A warrant instrument dated 10 March 2021 has been created by the Company pursuant to which warrants can be granted by the board of directors. Each warrant shall entitle the holder to subscribe for one Share, such right exercisable from the date of grant to 10 March 2024. Each Warrant is exercisable at 12 pence per Share.
- (c) A warrant instrument dated 18 June 2021 has been created by the Company pursuant to which warrants can be granted by the board of directors. Each warrant shall entitle the holder to subscribe for one Share, such right exercisable from the date of grant to

31 March 2023. Each Warrant is exercisable at 20 pence per Share. Each of these warrants were cancelled on 26 June 2022 pursuant to an offer made to the warrant holders by the Company on 26 April 2022.

- (d) A warrant instrument dated 10 September 2021 has been created by the Company pursuant to which warrants can be granted by the board of directors. Each warrant shall entitle the holder to subscribe for one Share, such right exercisable from the date of grant to 31 March 2023. Each Warrant is exercisable at 20 pence per Share. Each of these warrants were cancelled on 26 June 2022 pursuant to an offer made to the warrant holders by the Company on 26 April 2022.
- (e) A warrant instrument dated 26 June 2022 has been created by the Company pursuant to which warrants can be granted by the board of directors. Each warrant shall entitle the holder to subscribe for one Share, such right exercisable from the date of grant to 31 March 2023. Each Warrant is exercisable at 12 pence per Share. Each of these warrants were cancelled on 26 June 2022 pursuant to an offer made to the warrant holders by the Company on 26 April 2022.
- (f) **CCL Warrants:** A warrant instrument dated 5 April 2023, as amended and restated on 26 May 2023, has been created by the Company pursuant to which and subject to the Shareholder Authority Resolutions being passed, warrants will be granted to Catalyse Capital Limited (previously named Align Research Investments Ltd) (“CCL”). The warrant instrument provides for 7,500,000 warrants over Ordinary Shares to be issued to CCL, which are exercisable at 5 pence. The warrants are exercisable from grant until the third anniversary of Admission. In the event that the Company undertakes a subsequent equity issuance in excess of £50,000 in the period on or before the date falling 18-months from (excluding any warrants or options granted prior to the date of the warrant instrument) that is less than 5 pence then the exercise price shall be that lower price.
- (g) **CLN Warrants:** A warrant instrument has been created by the Company as required by the Convertible Loan Note instrument dated 1 February 2023 (as further described in paragraph 21.14 below). The warrant instrument is dated 30 May 2023 (“CLN Warrant Instrument”) and provides, subject to the passing of the Shareholder Authority Resolutions, for the Company to grant warrants over 11,000,000 Shares to be issued to the holder of the CLNs, half of which are exercisable at 10 pence and the balance exercisable at 15 pence. The warrants are exercisable for a period of 2 years from the date of grant of the warrants.
- (h) **Fundraising Warrants and Piggyback Options:** A warrant instrument dated 30 May 2023 (“Fundraising Warrant Instrument”) has been created by the Company pursuant to which, subject to the passing of the Shareholder Authority Resolutions, the board of directors will grant the Fundraising Warrants and the Piggyback Options. The Fundraising Warrants entitle the holder to subscribe for one Share for each Fundraising Share subscribed, such right exercisable from the date of grant to the date falling on the 2nd anniversary of the date of grant of the Fundraising Warrants exercisable at 12 pence per Share. If a holder of the Fundraising Warrants elects to exercise all of its Fundraising Warrants within 30 calendar days of the date on which the volume-weighted average price of the Shares exceeds 12 pence (the “Trigger Date”), on delivery of the certificate(s) for the Fundraising Warrants following such exercise, the Company shall issue the same number of Piggyback Options to such Warrant holder within 10-days of the Trigger Date. The Piggyback Options shall entitle the holder to subscribe for one Share for each Fundraising Share subscribed, such right exercisable from the date of grant to date to the date falling on the 3rd anniversary of the date of grant of the Fundraising Warrants exercisable at 18 pence per Share.
- (i) **CLN Broker Warrants:** As a fee under the CLN, a warrant instrument dated 30 May 2023 (“CLN Broker Warrant Instrument”) has been created by the Company pursuant to which, subject to the passing of the Shareholder Authority Resolutions, the board of directors will grant warrants over 550,000 Ordinary Shares to Optiva. Each Warrant will entitle the holder to subscribe for a Share, such right exercisable from the

date of grant to the date falling on the 2nd anniversary of the date of grant, subject to the CLN having been converted rather than repaid and exercisable at 5 pence per Share.

21.7 **Registrar Agreement**

A registrars agreement dated 17 April 2018 was entered into by the Company and the Registrar ("**Registrar Agreement**"), pursuant to which the Registrar agrees to its appointment as the registrar to the Company for the purpose of providing share registration duties including any duties required under the Companies Act and the London Stock Exchange. The agreement continues in force until terminated by either party on giving a minimum of 6 months' notice. The fees are determined by reference to the number of Shareholders and the activities undertaken.

21.8 **PKF Littlejohn LLP Engagement Letter**

On 31 January 2022 the Company and PKF Littlejohn LLP ("**PKF**") entered into an engagement letter to confirm the basis on which PKF will act as reporting accountants to the Company. The services will include review in respect of the sufficiency of working capital, significant change in the financial or trading position and the taxation provisions. There is no cap on the fees, which shall be chargeable based on the time required to complete the engagement. The engagement contains the usual limitations of liability.

21.9 **Monte Muambe Farmout Agreement**

The Company has entered into a Farmout Agreement dated 23 June 2021, with USSOKOTI INVESTIMENTOS SOCIEDADE UNIPESSOAL, LIMITADA ("**UIL**"), a company registered in Mozambique, MONTE MUAMBE MINING, LDA ("**MMM**") and the 3 individuals who currently own MMM, being MR. PEDRO JEREMIAS MANJATE ("**PM**"), MRS. ESTHER PALE ("**EP**") and MR. ROGÉRIO SAMO GUDO ("**RSG**") (together the "**Sellers**"). UIL currently holds Prospecting Licence 7573L ("**Muambe Licence**", granted by the Government of Mozambique on 22 May 2017 and with an initial term expiring on 22 May 2022, for fluorspar, rare earths, and associated minerals, covering a surface area of 3,939.96 Ha, and associated Statutory Licences including land rights (DUAT) as well as prospecting data, located in Tete Province, Mozambique.

There is a two-stage completion under the Farmout Agreement. Under stage one, the effectiveness of the Farmout Agreement is conditional on:

- a. PM, EP and RSG transferring an interest in MMM such that Altona holds a 1% shareholding in MMM;
- b. the constitutional documents of MMM being amended to provide for a board of directors with 3 directors, 2 of which shall be nominated by Altona; and
- c. UIL applying to the National Directorate of Geology and Mines of Mozambique ("**DNGM**") for the Muambe Licence to be transferred to MMM,

together the "**First Closing Conditions**".

On satisfaction of the First Closing Conditions, although Altona will only have a 1% interest in the share capital of MMM, it will have control of the board and Mr. Simonet, Chief Operating Officer of Altona, will also be appointed as Managing Director of MMM, which position under the laws of Mozambique give additional rights of management to Altona. The board of directors of MMM consists of 3 directors, of which 2 are appointed by Altona. Each director shall have one vote and all decisions of the board will be passed by simple majority vote. Therefore, Altona has control of the board and the Company.

Under stage two the conditions to the further farm-in by Altona are as follows:

- a. receipt by UIL, of a written consent from the DNGM for MMM to act as an operator;
- b. the transfer of the Muambe Licence from UIL to MMM; and
- c. consent of the Minister of Mineral Resources and Energy ("**Minister**") to the transfer of any additional interest in MMM to Altona,

together the "**Second Closing Conditions**".

In the period between the date of the First Closing Conditions and the Second Closing Conditions (the “**Interim Period**”), Altona and MMM have the following rights and obligations:

- UIL appoints MMM as its agent to initiate the undertaking of the operations on the Muambe Licence (“**Monte Muambe Project**”) as its “**Operator**”;
- Altona will provide to MMM all the personnel, expertise, and finance to enable MMM to act as Operator of the Muambe Licence and carry out the Monte Muambe Project;
- establish a work programme and budget for MMM to conduct a 3,000m RC drilling programme with the objective of identifying targets of a workable size with a minimum potential of at least 25 million tonnes at 2% total rare earths oxide (“**TREO**”) as “**Phase 1**” of the Monte Muambe Project;
- Altona’s paying interest in the Monte Muambe Project will be 100%; and
- Altona will have control of the management of MMM in order to undertake the Monte Muambe Project.

Whether during the Interim Period, or after satisfaction of the Second Closing Conditions, the Monte Muambe Project will be undertaken in 3 phases:

- during Phase 1 Altona is required to expend US\$400,000 in undertaking the Monte Muambe Project, and on incurring these costs, becomes entitled to an additional 19% of MMM, to take its holding to 20%;
- if Altona elects to proceed to Phase 2, during Phase 2 Altona is required to expend US\$700,000 in undertaking the Monte Muambe Project and on incurring these costs, becomes entitled to an additional 31% of MMM, to take its holding to 51%; and
- if Altona elects to proceed to Phase 3, during Phase 3 Altona is required to expend US\$2,000,000 in undertaking the Monte Muambe Project and on incurring these costs, becomes entitled to an additional 19% of MMM, to take its holding to 70%.

In addition to incurring the costs above in the Monte Muambe Project, Altona is required at certain points during the Monte Muambe Project, to issue up to 3,000,000 Consideration Shares to the Sellers and to make certain cash payments to the Sellers as follows:

PHASE	DATE	CONSIDERATION
Phase 1	Within 5 business days of the satisfaction of the First Closing Conditions.	£40,000.00
Phase 1 extension, should Altona have notified the Sellers of its wish to extend Phase 1 by 10 months, prior to the end of initial Phase 1 period.	Within 5 business days of the notification that Altona wishes to extend Phase 1.	£40,000.00
Phase 2, should Altona wish to proceed to Phase 2.	Within 5 business days of the Phase 1 Completion Notice date.	£40,000.00 Issue to the Sellers of 1,000,000 Shares
Phase 2 extension, should Altona have notified the Sellers of its wish to extend Phase 2 by 12 months, prior to the end of initial Phase 2 period.	Within 5 business days of the notification that Altona wishes to extend Phase 2.	£40,000.00
Phase 3, should Altona wish to proceed to Phase 3.	Within 5 business days of the Phase 2 Completion Notice.	£40,000.00 Issue to the Sellers of 1,000,000 Shares
	6 months from the date of the Phase 2 Completion Notice.	£40,000.00
		£40,000.00

PHASE	DATE	CONSIDERATION
	12 months from the date of the Phase 2 Completion Notice.	
	18 months from the date of the Phase 2 Completion Notice.	£40,000.00
Phase 3 extension, should Altona have notified the Sellers of its wish to extend Phase 3 by 12 months, prior to the end of initial Phase 3 period.	Within 5 business days of the notification that Altona wishes to extend Phase 3.	£40,000.00
	6 months from the date of the Phase 3 extension notification.	£40,000.00
	Within 5 business days of the Phase 3 Completion Notice .	Issue to the Sellers of 1,000,000 Shares

On 26 October 2022, INAMI formally notified MMM in writing that the Minister, MIREME, approved the renewal of the Licence and its transfer from UIL to MMM. MMM has since then fulfilled the requirements of the INAMI notification, including the payment of required transfer, registration, and annual surface taxes. License 7573L is now displayed on the Mozambique Mining Cadastre as held by MMM, being valid, and expiring on 22 May 2025.

The Licence grants the exclusive right to MMM to explore for fluorite, rare earths and associated minerals in an area known as Monte Muambe.

21.10 **HSBC Bounce Back Loan Agreement**

On 10 July 2020 the Company entered into a Bounce Back Loan Agreement with HSBC UK Bank plc (“HSBC”) for a loan of £25,000 which is guaranteed pursuant to the Government Bounce Back Loan Scheme. The first repayment was due 13-months from the date of drawdown and thereafter in 59 monthly instalments. The interest rate on the loan is 2.5%.

The Company commenced repayment of the Bounce Back Loan on 17 August 2021 of £443.68 per month. During February 2022, the Directors received legal advice that the Company did not meet the eligibility criteria set by the Bounce Back Loan Scheme. As a result, the Directors took the decision to pay off the outstanding balance and the Company has at the date of this Document repaid the Bounce Back Loan in full.

21.11 **HSBC Overdraft Facility**

On 7 December 2020 the Company entered into an overdraft facility with HSBC. The facility was initially for £50,000, reducing by £10,000 each month from 31 May 2021, such that the facility was reduced to zero by 31 September 2021. The facility incurred interest of 8% over the base rate of HSBC per annum on the debit balance of the facility.

21.12 **Directors Lock-In Agreements**

Each Director who holds shares in the Company and Louise Adrian has entered into a lock-in and orderly marketing agreement with the Company and Optiva Securities dated 30 May 2023 pursuant to which each such Director and Senior Manager has agreed to the following lock-in restrictions and orderly market arrangements:

- (a) in respect of the Shares held by them (directly or indirectly) on Admission, agreed that they shall not, for a period of 12 months from Admission, dispose of such Shares, and
- (b) for a further 12 months thereafter agreed to only dispose of such Shares after the Company’s Broker has been given an exclusive opportunity to place such shares (on specified minimum pricing terms);

In aggregate, under the lock-in agreements referred to in this paragraph 21.12 of this Part VIII a total of 7,406,544 Shares representing approximately 8.99 per cent. of the Enlarged Issued Share Capital will be subject to a minimum of 12 months of restrictions on sales/disposals (including by way of orderly market obligations) following Admission.

21.13 **CCL Debt Facility Agreement and CCL Settlement Deed**

On 2 November 2022, the Company entered into a short-term loan facility of £150,000 with Catalyse Capital Limited (previously named Align Research Investments Ltd) (“**CCL**”) enabling the Company to drawdown up to £150,000 in two tranches in November, from CCL. The loan facility was amended on 28 January 2023 and 3 May 2023 and provides for the loan to be repaid on the earlier of completion of the Placing and 30 June 2023. CCL was entitled to a fee for entering into the 28 January 2023 amendment of 10% of the outstanding loan, which was added to the principal of the loan. The loan carries a fixed interest rate of 15%. The entirety of the initial loan was drawn down in November and December 2022. As consideration for the amendment of 3 May 2023, the Company agreed to satisfy an amendment fee by the issue of 1,000,000 Ordinary Shares to CCL on Admission (“**CCL Amendment Fee Shares**”). CCL also received warrants. A dispute arose with respect to the pricing of the warrants issued to CCL and the date of repayment of the loan. The dispute with CCL has been settled on terms that the initial warrant instrument has been terminated and replaced with a new warrant instrument, which was subsequently amended and restated.

The new amended and restated warrant instrument provides, subject to the Shareholder Authority Resolutions being passed, for 7,500,000 warrants with an exercise period expiring on the third anniversary of Admission. The subscription price of the warrants is the lower of 5 pence each or the price of any equity issuance in excess of £50,000 (excluding any warrants or options granted prior to the date of the warrant instrument) that the Company makes on or before the date falling 18-months from Admission.

21.14 **Convertible Loan Notes, CLN Warrants, and CLN Broker Warrants**

The Company created a convertible loan note by an instrument dated 1 February 2023 in the principal amount of £300,000. £275,000 of which has been subscribed for by the Broker, Optiva Securities Limited (“**Loan Notes**”). The Loan Notes carry a rate of interest of 15% per annum, which interest shall accrue daily on the principal amount of the Loan Notes. Interest is payable to the noteholder in cash twice a year in July and January. The Loan Notes have a maturity date of 15 months from the date of creation of the Loan Notes, unless earlier redeemed in accordance with their terms. Subject to the Shareholders Authority Resolutions being passed, the noteholder has a right to convert the Loan Notes into Ordinary Shares at any time after Admission at the Placing Price for a period of two years. The Loan Notes are freely transferrable. The Company has created the CLN Warrant Instrument pursuant to which, subject to the Shareholders Authority Resolutions being passed, the Company will grant the Loan Note holder warrants over 11,000,000 Shares which will be exercisable for a period of 2 years from the date of grant of the warrants, half of which are exercisable at 10 pence and the balance exercisable at 15 pence (“**CLN Warrants**”).

The Company has created the CLN Broker Warrant Instrument pursuant to which, subject to the Shareholders Authority Resolutions being passed, in connection with the subscription for the Loan Notes, the Company will grant the Broker warrants over 550,000 Shares which will be exercisable for a period of two years from the date of grant of the warrants, exercisable at the Placing Price (“**CLN Broker Warrants**”).

21.15 **Subscription Letters**

The Company has entered into a number of subscription letters, substantially in the same form, pursuant to which certain persons have subscribed for the Subscription Shares at the Placing Price pursuant to the Subscription. The letters provide for the issue of the Fundraising Warrants on a one for one basis to the number of Shares which have been subscribed for and the Piggyback Options, subject to the Shareholders Authority Resolutions being passed. The subscribers give certain warranties and confirmations to the Company.

22 **General financial matters**

- 22.1 PKF Littlejohn, LLP resigned as auditor on 14 December 2019 and Jeffrey's Henry LLP was appointed as auditor on 15 December 2019 following the Company's move from AIM to the NEX Growth Exchange (now the AQSE Growth Market).

Jeffreys Henry LLP resigned as auditor and PKF Littlejohn, LLP was appointed as auditor on 22 March 2021 following the decision made by the Company to move from the AQSE Growth Market to the Standard Segment of the London Stock Exchange.

- 22.2 There are no effects on the assets and liabilities of the Company as a result of Admission, save for the increase to its assets to the value of the Net Proceeds.

23 Other information

- 23.1 There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened, of which the Company is aware), during the 12-month period prior to the date of this Document which may have, or have had in the recent past, significant effects on the Company's and/or the Group's financial position or profitability.
- 23.2 Other than as disclosed in this Document, there are no patents, licences or other intellectual property rights, industrial, commercial or financial contracts or new manufacturing processes which are or may be of material importance to the business or profitability of the Group.
- 23.3 Other than as disclosed in this Document, the Company has made no investments since 23 June 2021, has no investments in progress and there are no future investments on which the Directors have already made firm commitments which are or may be significant to the Company.
- 23.4 No exceptional factors have influenced the Group's activities.
- 23.5 The expenses of the Admission to the Official List and the Placing are estimated at £405,390 and are payable by the Company, excluding amounts to be satisfied by the issue of new Shares. The estimated Net Proceeds, after deducting fees and expenses in connection with the Admission and the Placing are approximately £1,594,610.
- 23.6 PKF Littlejohn LLP, whose registered address is 15 Westferry Circus, London E14 4HD, has given and not withdrawn its written consent to the inclusion in this Document in the form and context in which it is included and has authorised the contents of this report for the purposes of item 1.1 of Annex 1 to Commission Delegated Regulation (EU) 2019/980, supplementing Regulation (EU) 2017/1129 and as amended by The Prospectus (Amendment etc.) (EU Exit) Regulations 2019. In addition, PKF Littlejohn LLP has given and not withdrawn its written consent to the issue of this Document with the inclusion herein of the references to its name in the form and context in which they appear. PKF Littlejohn LLP is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales and the Financial Reporting Council.
- 23.7 Rock and Stock Investments (Pty) Ltd, whose business address is PO Box 691, Montagu, 6720, South Africa, has given and not withdrawn its written consent to the inclusion, in this Document, of the Competent Persons Report set out in Part III in the form and context in which it is included and has authorised the contents of the report. In addition, Rock and Stock Investments (Pty) Ltd has given and not withdrawn its written consent to the issue of this Document with the inclusion herein of the references to its name in the form and context in which they appear. The Company confirms that there are no material changes which have occurred since the date of the Competent Person's Report the omission of which would make the Competent Person's Report misleading.
- 23.8 Except for the industry trends described in this Document, there are no trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's prospects for at least the current financial year.
- 23.9 There have been no public takeover bids by third parties in respect of the Shares during the period from incorporation to the date of this Document.
- 23.10 There are currently no Shares in issue, and no Shares will be in issue on Admission, with a fixed date on which entitlement to a dividend arises and there are no arrangements in force whereby future dividends are waived or agreed to be waived.

- 23.11 The Fundraising Shares represent 48.54 per cent. of the Enlarged Share Capital and Voting Rights of the Company immediately following Admission. Following Admission, the issued Shares and Voting Rights of the existing Shareholders shall (assuming that they do not participate in the Fundraising) represent 45.49 per cent. of the Enlarged Share Capital of the Company.
- 23.12 The Placing was offered to Placees and the Subscription was offered to Subscribers on a non-pre-emptive basis and therefore the existing Shareholders did not have any entitlement to participate in the Placing.
- 23.13 Copies of the following documents will be published in electronic form and be available on the Company's website www.altonaRE.com and made available for inspection during normal office hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Company, for the period of 14 days following the date of this Document:
- the Articles; and
- the historical financial information of the Company as referenced in Part V (*Historical Financial Information*) of this Document.
- 23.14 Following publication a copy of this document will be available for viewing free of charge at the FCA's National Storage Mechanism at <https://data.fca.org.uk#/nsm/nationalstoragemechanism>.
- 23.15 In addition, this Document will be published in electronic form and be available, subject to certain access restrictions applicable to persons located or resident outside the United Kingdom, and free to download from the date of publication from the Company's website at www.altonaRE.com.

PART VIII

NOTICE TO INVESTORS

The distribution of this Document may be restricted by law in certain jurisdictions and therefore persons into whose possession this Document comes should inform themselves about and observe any restrictions, including those set out below. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

General

No action has been or will be taken in any jurisdiction that would permit a public offering of the Ordinary Shares, or possession or distribution of this Document or any other offering material in any country or jurisdiction where action for that purpose is required. Accordingly, the Ordinary Shares may not be offered or sold, directly or indirectly, and neither this Document nor any other offering material or advertisement in connection with the Ordinary Shares may be distributed or published, in or from any country or jurisdiction except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This Document does not constitute an offer to subscribe for any of the Ordinary Shares offered hereby to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction.

No arrangement has however been made with the competent authority in any other EEA state (or any other jurisdiction) for the use of this Document as an approved prospectus in such jurisdiction and accordingly no public offer is to be made in such jurisdiction. Issue or circulation of this Document may be prohibited in countries other than those in relation to which notices are given below. This Document does not constitute an offer to sell, or the solicitation of an offer to subscribe for, or buy, shares in any jurisdiction in which such offer or solicitation is unlawful.

The distribution of this Document in other jurisdictions may be restricted by law and therefore persons into whose possession this Document comes should inform themselves about and observe any such restrictions.

INVESTORS IN THE UNITED KINGDOM

This Document has been approved by the FCA, as competent authority under the UK Prospectus Regulation. The FCA only approves this Document as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered as an endorsement of the securities that are the subject of the prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

This Document has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules. In relation to the United Kingdom, no Placing Shares have been offered or will be offered pursuant to the Placing to the public in the United Kingdom prior to the publication of the Prospectus has been approved by the FCA, except that the Offer Shares may be made to the public in the United Kingdom at any time:

- (a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the UK Prospectus Regulation), subject to obtaining the prior consent of Novum for any such offer; or
- (c) in any other circumstances falling within Section 86 of the FSMA, provided that no such offer of the Placing Shares shall require the Company or Novum to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

Each person in the United Kingdom who acquires any Placing Shares in the Placing or to whom any offer is made will be deemed to have represented, acknowledged and agreed to and with the Company and Novum that it is a qualified investor within the meaning of the UK Prospectus Regulation.

In the case of any Placing Shares being offered to a financial intermediary as that term is used in Article 5(1) of the UK Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed to and with the Company and Novum that the Placing Shares acquired by it in the Placing have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer to the public other than their offer or resale in the United Kingdom to qualified investors, in circumstances in which the prior consent of the Banks has been obtained to each such proposed offer or resale. Neither the Company nor Novum have authorised, nor do they authorise, the making of any offer of Placing Shares through any financial intermediary, other than offers made by Novum which constitute the final placement of Placing Shares contemplated in this document.

The Company and Novum and their affiliates will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements.

For the purposes of this provision, the expression an “offer to the public” in relation to the Placing Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares and the expression.

INVESTORS IN THE EUROPEAN ECONOMIC AREA

In relation to each member state of the European Economic Area (“EEA”) (each a “Member State”), no Placing Shares have been offered or will be offered pursuant to the Placing to the public in that Member State prior to the publication of a prospectus in relation to the Placing Shares which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, all in accordance with the Prospectus Regulation, except the Placing Shares may be offered to the public in that Member State at any time:

- (i) to any legal entity which is a qualified investor as defined under Article 2 the Prospectus Regulation;
- (ii) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation) subject to obtaining the prior consent of the Joint Global Coordinators for any such offer; or

in any other circumstances falling within Article 1(4) of the Prospectus Regulation, provided that no such offer of Offer Shares shall require the Company or any Bank to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

Each person in a Member State who acquires any Placing Shares in the Placing or to whom any offer is made will be deemed to have represented, acknowledged and agreed to and with the Company and Novum that it is a qualified investor within the meaning of the Prospectus Regulation.

In the case of any Placing Shares being offered to a financial intermediary as that term is used in Article 5(1) of the Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed to and with the Company and Novum that the Placing Shares acquired by it in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer to the public other than their offer or resale in a Member State to qualified investors, in circumstances in which the prior consent of Novum has been obtained to each such proposed offer or resale. Neither the Company nor Novum has authorised, nor do they authorise, the making of any offer of Placing Shares through any financial intermediary, other than offers made by Novum which constitute the final placement of Placing Shares contemplated in this document.

The Company and Novum and their affiliates will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements.

In this context, the expression “an offer to the public” in relation to any Placing Shares in any Member State means the communication in any form and by any means of sufficient information on the terms of the Placing and any Placing Shares to be offered so as to enable an investor to decide to purchase, or subscribe for, any Placing Shares.

NOTICE TO OVERSEAS SHAREHOLDERS

An Overseas Shareholder may not be able to enforce a judgment against some or all of the Directors and executive officers. The Company is incorporated under the laws of England and Wales and a number of the Directors are residents of either Canada or the United Kingdom. Consequently, it may not be possible for an Overseas Shareholder to effect service of process upon the Directors within the Overseas Shareholder's country of residence or to enforce against the Directors judgments of courts of the Overseas Shareholder's country of residence based on civil liabilities under that country's securities laws. There can be no assurance that an Overseas Shareholder will be able to enforce any judgments in civil and commercial matters or any judgments under the securities laws of countries other than the UK against the Directors who are residents of either Canada or the United Kingdom or countries other than those in which judgment is made. In addition, English or other courts may not impose civil liability on the Directors in any original action based solely on the foreign securities laws brought against the Company or the Directors in a court of competent jurisdiction in England or other countries.

NOTICE TO ALL SHAREHOLDERS

Copies of this document will be available on the Company's website, www.worldchess.com from the date of this document until the date which is one month from the date of Admission.

INFORMATION TO DISTRIBUTORS

Solely for the purposes of the product governance requirements of Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the UK Product Governance Requirements) may otherwise have with respect thereto, the Ordinary Shares have been subject to a product approval process, which has determined that such Ordinary Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each defined in paragraph 3 of the FCA Handbook Conduct of Business Sourcebook; and (ii) eligible for distribution through all permitted distribution channels (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, "distributors" should note that: the price of the Ordinary Shares may decline and investors could lose all or part of their investment; the Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Novum will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Chapter 9A or 10A respectively of the FCA Handbook Conduct of Business Sourcebook; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Ordinary Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Ordinary Shares and determining appropriate distribution channels.

31 May 2023

DEFINITIONS

The following definitions apply throughout this Document, unless the context requires otherwise:

“Acquisition”	an acquisition to be identified and undertaken by the Company following Admission
“Act” or “Companies Act”	the Companies Act 2006 (as amended)
“Admission”	the admission of the Enlarged Share Capital to the Official List, by way of a Standard Listing, and to trading on the LSE’s main market for listed securities
“AIM”	the AIM, a market of the London Stock Exchange
“Articles”	the articles of association of the Company for the time being
“AQSE”	the Aquis Stock Exchange, a Recognised Investment Exchange under FSMA
“Brexit Regulations”	The Prospectus (Amendment etc.) (EU Exit) Regulations 2019
“Broker Agreement”	the agreement between the Company and Optiva dated 22 February 2021 pursuant to which Optiva is appointed as broker
“CCL Amendment Fee Shares”	the 1,000,000 Ordinary Shares to be issued at Admission to CCL as described in paragraph 21.13 of Part VII of this Document as part of the Fee Shares
“CCL Warrants”	the 7,500,000 conditional warrants as described in paragraph 21.6(f) of Part VII of this Document
“CCL Warrant Instrument”	the amended and restated warrant instrument dated 26 May 2023 created by the Company as more particularly described in paragraph 21.6(f) of Part VII “ <i>Additional Information</i> ” of this Document
“City Code”	the UK City Code on Takeovers and Mergers
“CLN Broker Warrants”	the 550,000 warrants to be granted pursuant to the terms of the CLN Broker Warrant Instrument, subject to the passing of the Shareholder Authority Resolutions
“CLN Shares”	subject to the passing of the Shareholder Authority Resolutions, the up to 5,500,000 Shares to be issued on conversion under the CLN
“CLN Broker Warrant Instrument”	the warrant instrument created by the Company as more particularly described in paragraph 21.6(i) of Part VII “ <i>Additional Information</i> ” of this Document
“CLN Warrant Instrument”	the warrant instrument created by the Company as more particularly described in paragraph 21.6(g) of Part VII “ <i>Additional Information</i> ” of this Document
“CLN Warrants”	the up to 11,000,000 warrants to be granted pursuant to the terms of the CLN Warrant Instrument, subject to the passing of the Shareholder Authority Resolutions
“Company” or “Altona”	Altona Rare Earths Plc a company incorporated with limited liability in England and Wales under the Companies Act 1985 on 2 February 2005, with number 05350512
“Company Financial Information”	the audited financial information of the Company for the period from 1 July 2019 to 30 June 2022 included in Part V
“Conditional Warrants”	the warrants to be granted by the Company under the CLN Warrant Instrument, the CLN Broker Warrant Instrument, the Fundraising Warrant Instrument and the Optiva Warrant Instrument, comprising the CLN Broker Warrants, the CLN

	Warrants, the Fundraising Warrants, the IPO Broker Warrants, Performance Warrants and Piggyback Options and the CCL Warrants subject to the passing of the Shareholder Authority Resolutions
“Connected Person(s)”	connected persons (within the meaning of section 252 of the Act)
“Consideration Shares”	the Ordinary Shares which may be issued pursuant to the Monte Muambe Farmout Agreement
“Convertible Loan Notes” or “CLNs” or “Loan Notes”	the convertible loan note created by the Company in the principal amount of £300,000, £275,000 of which has been subscribed for by Optiva, further details of which are set out in paragraph 21.14 of Part VII of this Document
“Costs”	total expenses incurred (or to be incurred) by the Company in connection with the Fundraising and Admission of the Company totalling approximately £388,000
“CREST”	the relevant system (as defined in the CREST Regulations) for paperless settlement of share transfers and holding shares in uncertificated form which is administered by Euroclear
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended
“Deferred Shares”	together the 1,411,956,853 deferred shares of £0.0009 each and 1,602,434 deferred shares of 9 pence each in issue in the capital of the Company
“Directors” or “Board” or “Board of Directors”	the directors of Altona whose names are set out in “Part II – Directors, Senior Management, Consultants and Corporate Governance” or the Board of Directors of the Company from time to time from Admission, as the context requires, and “Director” shall be construed accordingly
“Disclosure Guidance and Transparency Rules” or “DTR”	the Disclosure Guidance and Transparency Rules made by the FCA pursuant to section 73A of the FSMA, as amended from time to time
“Document”	this prospectus
“Enlarged Issued Share Capital” or “Enlarged Share Capital”	the Existing Share Capital of the Company together with the New Ordinary Shares
“equity securities”	shares, or rights to subscribe for or to convert into shares
“EU IFRS”	International Financial Reporting Standards adopted pursuant to Regulation (EC) No 160/2002 as it applies in the European Union
“Euro” or €	Euro, a unit of currency
“Euroclear”	Euroclear UK & Ireland Limited, a company incorporated under the laws of England and Wales
“Existing Share Capital” or “Existing Shares”	the 37,484,999 Shares in issue immediately preceding Admission and the issue of the New Ordinary Shares
“Existing Directors” or “Existing Board”	the directors of the Company at the date of this document, comprising Martin Wood, Christian Taylor-Wilkinson, Cédric Simonet and Audrey Mothupi
“Existing Warrants”	the 18,183,801 Warrants in issue at the date of this Document
“FCA”	the UK Financial Conduct Authority

“Fee Shares”	the 4,918,200 Ordinary Shares to be issued at the Placing Price to settle outstanding fees due to Cédric Simonet, Martin Wood, Christian Taylor-Wilkinson, Optiva, CCL (including for the CCL Amendment Fee Shares), Green Lantern Investments GmbH and Orana Corporate LLP, as detailed in paragraph 3.1(xxi) of Part VII of this Document
“Fully Diluted Holding”	means at Admission diluted as a result of the exercise in full of the Existing Warrants and following Admission, subject to passing the Shareholder Authority Resolutions, as a result of the exercise in full or the Existing Warrants in issue or issued on Admission and the Fundraising Warrants, Piggyback Options, CLN Warrants, CLN Broker Warrants, IPO Broker Warrants, Performance Warrants, CCL Warrants and conversion of the CLNs
“Fundraising” or “Fundraise”	together, the Placing and the Subscription
“Fundraising Shares”	the 40,000,000 new Ordinary Shares to be issued at the Placing Price comprising the Placing Shares and the Subscription Shares
“Fundraising Warrant Instrument”	the warrant instrument created by the Company as more particularly described in paragraph 21.6(h) of Part VII <i>“Additional Information”</i> of this Document
“Fundraising Warrants”	the 40,000,000 warrants over Ordinary Shares as detailed in paragraph 21 of Part VII of this Document
“FSMA”	the Financial Services and Markets Act 2000, as amended
“Gross Proceeds”	£2,000,000, being the funds received in relation to the Fundraising before Costs
“Group”	the Company and its subsidiaries
“HMRC”	HM Revenue and Customs
“INAMI”	the Instituto Nacional de Minas, being the mining regulatory authority, responsible for publishing guidelines for the participation of the public and private sector in the research, exploration, treatment, export and import of mining products and their derivatives in Mozambique
“IPO Broker Warrants”	the 2,012,760 warrants to subscribe for Shares in the Company to be granted under the Optiva Warrant Instrument, subject to passing the Shareholder Authority Resolutions, as more particularly described in paragraphs 21.4 and 21.5 of Part VII <i>“Additional Information”</i> of this Document
“Investor”	means a person who purchases, considers the purchase or holds Shares in the Company
“Listing Rules”	the listing rules made by the FCA pursuant to section 73A of FSMA, as amended from time to time
“London Stock Exchange” or “LSE”	London Stock Exchange plc
“Main Market”	the main market of the London Stock Exchange for officially listed securities
“Market Abuse Regulations”	Regulation (EU) No 596 (2014 of the European Parliament and of the Council on market abuse) as amended by The Market Abuse (Amendment) (EU Exit) Regulations 2019
Mining Licence	has the meaning given to it in paragraph 11 of Part I of this document

“MMM”	Monte Muambe Mining, LDA, a company incorporated in the Republic of Mozambique
“Monte Muambe Farmout Agreement” or “Farmout Agreement”	the farmout agreement entered into by the Company, Ussokoti Investimentos Sociedade Unipessoal, Limitada (“ UIL ”), MMM and the shareholders of MMM dated 23 June 2021
“Monte Muambe Project”	the prospecting, development and mining activities on the Licence and on any future prospecting licence or mining licences held by the Company over the Mt Muambe mineral deposits, including post-mining rehabilitation and abandonment activities, and including but not limited to the activities envisaged in WP&Bs in respect of the Licence including Phase 1, Phase 2 and Phase 3 (as such terms are defined in the Monte Muambe Farmout Agreement)
“Muambe Licence” or “Licence”	the Prospecting Licence 7573L, granted by the Government of Mozambique on 22 May 2017 and renewed up to 22 May 2025 , for fluorite, rare earths and associated minerals, covering a surface area of 3,939.96 Ha, and associated Statutory Licences including but not limited to land rights (DUAT) as well as prospecting data, located in Tete Province, Mozambique
“Net Proceeds”	£1,594,610 being the funds received in relation to the Placing, less Costs
“New Ordinary Shares”	the 44,918,200 new Shares to be issued on Admission comprising the Placing Shares, Subscription Shares and the Fee Shares
“Official List”	the Official List of the FCA
“Optiva” or “Optiva Securities”	Optiva Securities Limited, a private limited company incorporated in England and Wales with number 03068464
“Optiva Warrant Instrument”	the warrant instrument created by the Company as more particularly described in paragraph 21.5 of Part VII <i>“Additional Information”</i> of this Document
“Performance Warrants”	up to 500,000 warrants to subscribe for Shares in the Company to be issued to Optiva under the Optiva Warrant Instrument, subject to the passing of the Shareholder Authority Resolutions as more particularly described in paragraphs 21.4 and 21.5 of Part VII <i>“Additional Information”</i> of this Document
“Piggyback Options”	up to 40,000,000 conditional options to subscribe for new Shares in the Company that may be granted to Placees and Subscribers in accordance with the terms of the Fundraising Warrant Instrument, subject to the passing of the Shareholder Authority Resolutions as more particularly described in paragraph 21.6(h) of Part VII <i>“Additional Information”</i> of this Document
“Placee”	a party that agrees to subscribe for new Shares in the Placing
“Placing”	the proposed placing of 34,416,000 Placing Shares by Optiva on behalf of the Company at the Placing Price and on the terms and subject to the conditions set out in the Placing Agreement
“Placing Agreement”	the placing agreement between the Company, the Directors, Novum and Optiva dated 30 May 2023 relating to the Placing and Admission
“Placing Letters”	placing letters from the Company to potential placees dated 23 February 2023 inviting irrevocable conditional applications for subscription for Placing Shares pursuant to the Placing
“Placing Shares”	the 33,546,000 new Ordinary Shares which have been conditionally placed with Placees pursuant to the Placing

“Placing Price”	5 pence
“Premium Listing”	a listing on the Premium Listing Segment of the Official List under Chapter 6 of the Listing Rules
“Project”	the Monte Muambe Project
“Proposed Directors”	Louise Adrian and Simon Charles
“Prospectus Regulation”	EU Regulation No 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market
“Prospectus Regulation Rules”	the prospectus regulation rules made by the FCA pursuant to section 73A of the FSMA, as amended from time to time
“QCA Code”	the Quoted Companies Alliance Corporate Governance Code 2018 published by the Quoted Companies Alliance (as amended from time to time)
“Rare Earth Elements” or “REE”)	the series of 17 elements known as the Lanthanides, which include Yttrium and Scandium, that are further divided into Heavy and Light Rare Earths depending on their atomic weight
“Registrar”	Share Registrars Limited
“Regulatory Information Service”	a regulatory information service authorised by the UK Listing Authority to receive, process and disseminate regulatory information in respect of listed companies
“Reverse Takeover”	a transaction defined as reverse takeover under Listing Rule 5.6.4
“Securities Act”	the U.S. Securities Act of 1933, as amended
“Senior Manager”	Christian Taylor-Wilkinson
“Shares” or “Ordinary Shares”	ordinary shares of 1 pence each in the Company
“Shareholder Authority Resolutions”	means the resolutions to be proposed at the next general meeting of the Company and required to be passed by Shareholders to give the Directors authority to grant the Conditional Warrants and issue any Ordinary Shares on exercise of such warrants and the CLN Shares
“Shareholders”	holders of Shares
“Standard Listing”	a Standard Listing under Chapter 14 of the Listing Rules on the Standard Segment of the Main Market of London Stock Exchange
“Subscriber”	a party that agrees to subscribe for new Shares in the Subscription
“Subscription”	the subscription for 6,454,000 new Ordinary Shares in the Company at the Placing Price on the terms set out in the subscription letters as detailed in paragraph 21.15 of Part VII of this document
“Subscription Shares”	the 6,454,000 new Ordinary Shares in the Company being issued at the Placing Price to the subscribers in the Subscription
“Takeover Panel”	the UK Panel on Takeovers and Mergers
“UK IFRS”	UK-adopted international accounting standards
“UK Prospectus Regulation”	means Prospectus Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.
“UK Sterling” or “£”	Pound Sterling, the lawful currency of the United Kingdom

“uncertified” or “uncertified form”	in relation to a share or other security, a share or other security, title to which is recorded in the relevant register of the share or other security concerned as being held in uncertificated form (that is, in CREST) and title to which may be transferred by using CREST
“Uncertified Regulations”	the Uncertificated Securities Regulations 2006 (as amended or replaced from time to time)
“US Dollars” or “\$”	United States Dollars, the lawful currency of the United States
“Voting Rights”	all the voting rights attributable to the capital of a company which are exercisable at a general meeting
“Warrants”	Warrants to subscribe for new Shares in the Company as granted by the Company prior to Admission and as more particularly described in paragraphs 21.6(a) – (f) of Part VII <i>“Additional Information”</i> of this Document

