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Altona Rare Earths PLC
22 December 2023

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ALTONA RARE EARTHS PLC
("Altona" or "the Company")

£250,000 LOAN FACILITY

Altona (LSE: REE), a resource exploration and development company focused on Rare Earths in Africa, announces that it has entered into a loan facility ("the Facility") with Catalyse Capital Limited ("Catalyse").

The Facility enables the Company to drawdown a total of £250,000 over two tranches in January and February 2024 (the "Loan"). The proceeds will be used principally to continue advancing priority Prefeasibility Study ("PFS") activities, with a focus on metallurgy, for the Monte Muambe rare earths project.

The Loan has a repayment date of 20 December 2024 and carries a fixed interest rate of 20% per annum. Catalyse will also receive warrants equal to 100% of the loan value plus interest, with a four-year expiration date from the drawdown. The exercise price of the warrants is the lower of 2.5 pence each or the price of any equity placing the Company may carry out over the next 24 months.

Catalyse may elect to receive the due interest and capital in Altona ordinary shares at the lower price of either 2.5 pence or the price of any placing the Company may carry out during the period while the Loan is unpaid.

Cédric Simonet, CEO of Altona, commented:

"The Company has produced all the deliverables planned at the June 2023 fundraise in the use of proceeds, including the maiden Mineral Resource Estimate, the Scoping Study, the increased holding in Monte Muambe to 51%, the Mining License application, as well as initial Phase 3 in-fill drilling at Target 4.

"The Company is now assessing various options to fund the entire PFS, taking into consideration the current market conditions and the best interest of its shareholders.

"Catalyse has previously shown its support to the Company and this loan facility will enable us to continue advancing high-priority PFS activities over the coming months, bridging us while avoiding an unnecessary dilutive placing in the current market environment."

This announcement contains information which, prior to its disclosure, was inside information as stipulated under Regulation 11 of the Market Abuse (Amendment) (EU Exit) Regulations 2019/310 (as amended).

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About Altona Rare Earths Plc

Altona is a resource exploration and development company focused on Rare Earths in Africa. The Company is listed on the Main Market of the London Stock Exchange.

Rare Earths are a group of 17 chemical elements, many of which are critical to the World's ongoing transition from carbon-based to renewable energies, and to the defence and communication sectors.

The Company currently focuses on the development of Monte Muambe, its flagship Magnet Rare Earths Project, located in Northwest Mozambique. The Project was acquired in June 2021, and the Company currently holds 51%. Altona has so far drilled over 7,800m, and defined a maiden JORC Mineral Resource Estimate of 13.6 million tons at 2.42% TREO. A Competent Person Report including the Scoping Study for Monte Muambe was published on 18 October 2023. The Project is now entering its Prefeasibility Study stage.

Altona continues to take advantage of its position in Africa to assess other possible Rare Earths opportunities on the Continent.

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