8 June 2022

ALTONA RARE EARTHS PLC

("Altona" or "the Company")

MONTE MUAMBE UPDATE:

PROJECT ON TRACK FOR RESOURCE ESTIMATE BY Q1 2023

ON-GOING DRILLING CONTINUES TO DELIVER OUTSTANDING RESULTS

Altona (AQSE: ANR.PL), a mining exploration company focused on the evaluation, acquisition and development of Rare Earth Elements ("REE") mining projects in Africa, is pleased to update shareholders with preliminary results from its Phase 2 drilling programme at its flagship project, Monte Muambe, in Tete Province, Mozambique, held under Prospecting Licence 7573L.

SUMMARY

- Phase 2 exploration programme is progressing within schedule and on track for production of maiden JORC Resource Statement by Q1 2023 and a Preliminary Economic Assessment ("PEA") by Q2 2023
- Monte Muambe has the potential to become one of the highest-grade Carbonatite REE projects in Africa
- Preliminary Phase 2 exploration results show continuing improvement, not only in terms of grades but also in terms of orebodies dimensions:
  - Extensive soil sampling covering the entire intrusion has led to the discovery of four new drilling targets for REE and Niobium (up to 1.75% TREO and up to 1.75% Nb_2O_5 in soil), currently being investigated through shallow RC drilling
  - Target 1 length was extended from 100m to 700m. Phase 2 RC drilling results show thick intercepts with Total Rare Earth Oxide ("TREO") grades up to 7.85%
  - Target 4 shows an orebody thickness of at least 170 m with grades up to 6.37% TREO

<u>Phase 2 Exploration Update</u>

The Company commenced Phase 2 exploration at the end of April 2022, with a 1,200m drilling programme to investigate two new targets (Targets 3 and 4) and continue drilling on the best of its Phase 1 identified targets (Target 1). Once this short phase of drilling is completed, the Company will commence Resource Drilling (planned up to 6,200m) in August 2022, which will enable production of a maiden Mineral Resource Estimate, a preliminary metallurgical study, a PEA and establish a monetary value for the asset.

Since February, Altona's operations team have collected and assayed over 1,700 soil samples, refining the orebodies boundaries and identifying four new, REE-rich drilling targets which are currently being investigated through shallow Reverse Circulation ("RC") drilling.

Phase 2, RC drilling commenced in early May on Targets 1 and 4. Results below are part of the on-site pXRF assay and are classed as preliminary (see end note on pXRF results[3]). All mineralised samples will be subsequently assayed at a certified laboratory.

<u>Target 1</u>

- 415.45 m drilled so far (5 RC holes), best TREO intercept 7.85%, best Nb_2O_5 intercept 1.70%.
- Target length extended from 100m to 700 m, foot-wall of orebody not

encountered
-- Mineralisation encountered to 70m below surface, open at depth

Target 4

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

The complete drilling results as well as maps and sections for Targets 1 and 4 can be accessed through this link to the Company's website: https://www.altonare.com/projects/monte-muambe-rare-earths-project/

Altona is currently preparing access to its newly discovered Target 9 in the southern zone of the carbonatite, which also shows a high potential for REE.

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

Finally, the Company is now in a position to prepare a JORC 2012[1] compliant Exploration Target[2] estimate on Targets 1, 4, and possibly 9, which it expects will be completed in July. The Company is in the process of appointing an independent consultant to this effect. By working under JORC rules from as early as possible the Company aims to reduce risk and achieve early validation of its projects.

Altona is on track to complete its maiden Resource Estimate in Q1 2023 and the project's PEA by Q2 2023.

Christian Taylor-Wilkinson, Chief Executive of Altona, commented, "Our strategy for Monte Muambe is twofold; to work to our schedule to define the orebodies and, produce a Resource Estimate and PEA which will define the value of the asset. Both of these aims are on track to be completed on time and within budget.

"As we continue with our exploration, we are finding a much larger homogeneous orebody than anticipated and, crucially, we are seeing significant TREO grades, including high levels of NdPr - those rare earths critical in the production of many green technologies such as electric vehicles and wind turbines."

1: JORC: Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC), Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("JORC Code 2012 Edition")

2: Under the JORC 2012 Code 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.

3: Preliminary results for TREO and Nb2O5 are based on pXRF assays. In this RNS, TREO% is calculated as the sum of Nd, Pr, La, Ce and Y oxides from pXRF assay results. Altona uses a Hitachi X-Met8000 pXRF analyser 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. 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. Comparisons between Altona pXRF results and Intertek laboratory assay results for 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. However, they are not preliminary in nature

and should therefore be considered with caution. All mineralized samples will be sent to a certified laboratory for assay.

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Company Information

Altona Rare Earths Plc is a mining exploration company focused on the evaluation, development and extraction of Rare Earth Element (REE) metals in Africa. It owns a REE mining project in Mozambique; the Monte Muambe Project, a Light REE mining project in the southwest of the country, where exploration work commenced on 1 October 2021. Phase 1 results have shown it to contain high levels of critical NdPr deposits, key to the production of Electric Vehicles and other green technologies. The Company is also in the process of investigating other REE opportunities in Africa.

Competent Persons Statement

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