15 June 2021

Altona Rare Earths Plc

("Altona" or "the Company")

BUSINESS UPDATE

AND

PORTFOLIO DEVELOPMENT INITIATIVE

Altona (AQSE: ANR.PL), a rare earths exploration and mining company, announces details of its new strategic initiative to develop its portfolio of Rare Earth Elements ("REE") assets and a business update.

Business Update

During the last 12 months the Company, through its local, pan-Africa network has started to identify potential REE opportunities and conduct preliminary evaluations. As a result, the Company currently has three acquisition contracts under negotiation, where it is seeking to acquire majority interests in rare earths projects.The Company expects these opportunities to increase as its reputation as a professional player with the necessary experience to develop REE mining projects spreads, and Altona receives more "approaches" from the owners of mining properties.

Altona is now in the final phase of contract negotiation with Ussokoti Investimentos Limitada for the acquisition of the Monte Muambe Rare Earths Project in Mozambique. The Company has completed its legal and technical due diligence ahead of schedule and has commissioned the preparation of a Competent Persons Report on this potentially substantial carbonatite mining asset.

In Uganda, the Company is still waiting on assay results of soil samples taken from the Nankoma Rare Earths Project to provide guidance to the board in its decision to proceed with the acquisition. The Company has a non-binding agreement with the owners of the licence, which requires action by 30 June 2021, therefore the Company will provide an update on or after this date.

In Malawi, the Company is working under a non-binding high level MoU which allows it to validate this potential opportunity and negotiate appropriate commercial terms. This work is progressing and the Board expects to reach a decision on whether to proceed or not by August.

The Company has enjoyed increasing support from shareholders enabling it to raise the working capital required to support its increasing activities. The Company is in the process of listing on the Offical List of the London Stock Exchange (via a Standard Listing) which is expected to be achieved by September. This strategic move will enabled interested parties to make an investment in Altona as the Company starts to progress its projects to the next stage. On listing, the Company will be looking to raise capital to provide sufficient head room for a period of 12 months, based on the Company's current strategy of developing at least three assets.

New Portfolio Development Initiative

To enhance the Company's strategy of becoming a developer of multiple African rare earths mining projects, it has commenced a new target generation programme across four countries, Mozambique, Angola, Tanzania and Uganda, with the view to expanding its projects pipeline.

Utilising its highly experienced on-the-ground presence in Africa and its UK stock market listing, the Company has a strong belief it will be able to secure new rare earths projects in the second half of the year, should they follow the Company's strict selection process.

Each of these four countries has been chosen by the board for their highly favourable geological context, including the presence of known rare earth deposits, and their conducive mining, investment, political and regulatory environment. The Company will approach this new initiative in two ways: firstly by assessing existing projects where rare earth deposits have been reported - working with the current owner through a joint venture agreement, should the Company believe any project meets the board's rigorous criteria; and secondly, by applying for fresh Prospecting Licences under Altona's own name, should the target generation exercise identify rare earths potential in, as yet, unregistered areas.

Any deal that is agreed with a third party would follow the Company's current strategy of acquiring at least 51% of the asset. The Company is already in the process of establishing a presence in these countries by registering subsidiary companies, the first step to applying for a Prospecting Licence.

Christian Taylor-Wilkinson, Chief Executive of Altona, commented, "We standout in this sector by being a professional and credible operator due to our professional and exacting approach and this makes a large difference to the quality of the opportunities we can access. This is reflected in the opportunities we see coming to us which we are now evaluating. It is clear that there are signficant opportunities for Altona in Africa and we look forward to commencing the material development of selected assets in the coming months and years to create significant value for our shareholders."

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For further information, please visit www.altonaenergy.com (a new website, currently being built, can be found at www.altonaRE.com) or contact:

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Company Information

Altona is a exploration and mining company focused on the evaluation, development and extraction of rare earth metals in Central and East Africa.

The Company was admitted to trading on AIM on 10 March 2005 and was subsequently admitted to Aquis Stock Exchange on 1 February 2019. A copy of its admission documents dated 4 March 2005 can be accessed on its website, www.altonaenergy.com. This website is where items can be inspected under Rule 4.14 of the AQSE Growth Market Access Rulebook.