29 January 2021

ALTONA ENERGY PLC

("Altona" or "the Company")

PLACING

Altona (AQSE: ANR.PL), a mining exploration company with a focus on Rare Earth Elements ("REE") mining projects in Africa, announces it has received subscription letters in respect of a further fundraising of approximately £523,000 before expenses, at an issue price of 6.5 pence per share ("the Placing").

As of today, the Company has received £168,214 from the new investors and has therefore issued 2,587,909 new ordinary shares ("Placing Shares"). The balance of the funds due in respect of the Placing is expected to be received by the end of February. Upon receipt of the final proceeds of the placing (£355,139) the remaining Placing Shares, being 5,463,683, will be issued to the new investors. The new investors have also been issued with Warrants, each with a strike price of 12 pence, representing a one for two basis on each of the Placing Shares. As a result of the issuance of the Placing Shares, 1,293,954 Warrants have also been issued.

The Company has also issued 1,814,385 new ordinary shares at 6.5 pence in payment for services provided to the Company by directors, advisers and including part of the fee for the Placing (2.5% of £376,763). Three directors have agreed to receive shares in lieu of outstanding fees as follows:

- Phillip Sutherland Director 430,769 ordinary shares
- Cedric Simonet Director193,615 ordinary shares
- Christian Taylor-Wilkinson Director 769,231 ordinary shares

The net proceeds will be used by the Company primarily to complete its due diligence on two Rare Earths mining projects which the company believes offer significant commercial potential, and, subject to successful due diligence, intends to subsequently enter into binding agreements to acquire majority stakes. Discussions are at an advanced stage and the Company expects these agreements to be completed during March. The funding also allows the Company to commence initial exploration on these two new mining projects, ahead of its expected London Stock Exchange ("LSE") listing, in order to provide enhanced levels of data on the estimated resource.

The board has now engaged with advisers to commence the admission process for a listing on the LSE Standard Market. The expected time frame for completing this process is up to four months and updates as to the Company's progress will be provided as appropriate to shareholders. The LSE listing, coupled with the initial exploration work, will provide the Company with the platform on which to secure funding to fully develop the projects in Malawi and Uganda.

Christian Taylor-Wilkinson, Chief Executive of Altona, commented, "The new funds enable Altona to commence the implementation of our strategy to become a serious player in the exciting Rare Earths market.

"The growth of the Rare Earths sector outside of China is now crucial to the continuing supply of critical metals to the vast number of industries that rely upon these humble elements; electric vehicles and wind turbines, to name but two.

"We are focused on Africa where we believe the combination of opportunity, our expertise and network provide us with the ingredients to take full advantage of this rising, global demand."

Admission and Total Voting Rights

Following this issue of 4,402,294 Shares, which will rank *pari passu* with the Company's existing Ordinary Shares, the Company's enlarged share capital and total voting rights in the Company will comprise 9,705,757. The Company has no shares held in Treasury. This figure of 9,705,757 ordinary shares may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company under the FCA's Disclosure and Transparency Rules.

Following the Admission of the new shares; Mr Sutherland will hold an interest in 432,769 shares, or 4.5% in the Company. Mr Simonet will hold a total interest in 193,615 shares, or 2% in the Company. Mr Taylor-Wilkinson will hold a total interest in 1,584,940 shares, or 16.3% in the Company.

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For further information, please visit www.altonaenergy.com or contact:

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Company Information

Altona is a mining exploration company focused on the evaluation, rapid development and extraction of Rare Earth Element (REE) metals in 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 75 of the Aquis Rules for Issuers.