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Harena Rare Earths PLC
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Harena Rare Earths Plc
("Harena" or the **"Company")**

Corporate & Strategic Development Update

DFC development funding advances Ampasindava project, with potential further project financing of up to US$67 million under consideration

Harena Rare Earths Plc (LSE: HREE) (OTCQB: CRMNF), the rare earths company focused on the Ampasindava **Ionic Clay** rare earth project in Madagascar, is pleased to provide an update on its development funding, strategic positioning and forthcoming project milestones.

Under its US$4.84 million Project Development Funding Agreement ("**PDFA**") with the U.S. International Development Finance Corporation ("**DFC**"), Harena has received US$0.48 million to date and recently submitted a further drawdown request for US$0.60 million against the agreed development programme.

The relationship extends beyond the initial development funding. The existing PDFA also provides for DFC's consideration of potential subsequent debt or equity financing currently projected at up to US$67 million.

Following the formalisation of its Exploitation Permit, Harena is advancing the environmental, technical and commercial work required to advance its completed Pre-Feasibility Study ("**PFS**"), towards a Definitive Feasibility Study ("**DFS**") and a future construction decision.

Recently, significant industry merger and acquisition (M&A) activity is putting **Ionic Clay** projects in focus as they offer faster timelines to production and lower production costs.

Highlights

DFC funding supporting project delivery: US$0.48 million draw down, with a further US$0.60 million submitted for draw down in November 2026 against the agreed work programme. Additional drawdown of approximately US$0.81 million planned for January 2027.
Further DFC financing under consideration: The PDFA records consideration of possible debt or equity financing projected to be up to US$67 million, subject to further due diligence, appraisal and approval. Current programmes support consideration of this next financing phase.
Significant industry M&A activity: USA Rare Earth's US$2.8 billion Serra Verde acquisition and Lynas' proposed A$968 million Meteoric transaction highlight growing industry interest in securing **Ionic Clay** projects.
Exploitation Permit formalised; environmental approvals progressing: Environmental and social studies are advancing in support of the approvals required for pilot-phase construction. Further updates will follow as this work advances.
Bulk sampling programme underway: Sample material is being prepared for metallurgical testwork to optimise the processing flowsheet, establish pilot-plant design criteria and produce representative concentrate for potential offtake partners. Separate technical update to follow; testwork results are expected in Q1 2027.

Further updates planned: Technical mobilisation, bulk testwork, concentrate evaluation, environmental approvals, pilot development and DFS progress will be reported as milestones are reached.

Ivan Murphy, Executive Chairman of Harena, commented:

"U.S. government development funding and the formalisation of our Exploitation Permit represent a transformational change for Harena.

Our financing relationship with the DFC extends beyond development capital, broadening our connections across the U.S. critical minerals sector and its participants. At the same time, recent significant industry M&A activity is also demonstrating the strategic value of securing ***Ionic Clay*** *resources.*

With U.S. government support and our mining permit in place, we are focused on accelerating development. Building on our completed PFS, we are advancing the environmental, metallurgical and engineering work required for the DFS and pilot plant.

Our stakeholders can now expect regular news flow, beginning shortly with technical mobilisation and bulk sampling, followed by test work results, concentrate production, environmental approvals and commercial progress as milestones are delivered."

DFC Funding Deployment and Forthcoming Drawdowns

DFC, the U.S. Government's international investment arm, describes its funding for Harena as the U.S. Government's first mining investment in Madagascar.

The funding position as at 02 November 2026 is summarised below:

Funding position	Amount and status
Agreed project development funding	**US$4.84 million**
Received to date	**US$0.48 million**
Latest drawdown request submitted but not yet received	**US$0.60 million**, submitted on **27 October 2026**
Next planned drawdown request	Approximately **US$0.81 million** expected in **January 2027,** subject to eligible expenditure and the agreement's requirements

Building on the Completed PFS

Harena's completed PFS, announced on 26 January 2026, establishes a 20-year heap-leach development plan to produce mixed rare earth carbonate. Key previously announced metrics include:

PFS metric	Previously announced estimate
Life of mine	20 years
TREO contained in life-of-mine concentrate	Approximately 71,000 tonnes
Pre-production capital cost	US$142 million
Post-tax NPV at a 10% discount rate	US$249.6 million
Post-tax internal rate of return	30%

Source: PFS announcement, 26 January 2026; financial returns use the analyst-sourced long-term price base case. View PFS announcement.

The current programme builds on this completed PFS, refining mine planning, processing, logistics and capital and operating cost estimates to a definitive level. Specialist appointments and workstreams will be detailed in the forthcoming technical update.

Development Roadmap and Forthcoming Announcements

Following the formalisation of the Exploitation Permit, environmental permitting and completion of the relevant management plans remain the immediate regulatory priorities. These are prerequisites to construction of the infrastructure for the pilot phase.

Building on the completed PFS, Harena is progressing specialist appointments and studies for the DFS, bulk metallurgical programme and phased establishment of its onsite laboratory and PoC plant. Further updates will cover the following workstreams.

Workstream	Forthcoming update	Timing / dependency
Technical mobilisation and DFS studies	Specialist appointments, site preparation, survey and mining studies supporting the upgrade of the completed PFS to DFS.	Detailed technical updates to follow
Bulk metallurgical testwork	Programme mobilisation and sample testing, followed by recovery, flowsheet optimisation and pilot-design results.	Results expected Q1 2027.
Concentrate production and commercial evaluation	Production of representative mixed rare earth carbonate and subsequent evaluation by potential offtake partners.	Linked to testwork completion and counterparties' assessment programmes.
Environmental approvals and stakeholder engagement	Progress on assessments, management plans, community consultation and regulatory submissions.	Subject to study completion and regulatory review.
Onsite laboratory and PoC plant	Engineering, procurement and phased establishment of laboratory and pilot facilities.	Construction targeted to commence in 2027, subject to approvals and implementation schedule.
DFS and subsequent financing	Upgrade of the completed PFS to definitive level, integrating mining, metallurgical, environmental, engineering and cost studies to support financing and a construction decision.	**Updates to follow**

The testwork and pilot-construction timings above reflect the current technical work plan.

Environmental and social work is integral to the programme. This includes engagement with affected communities, land-related studies and planning for local employment, skills development and business participation alongside the technical and environmental assessments.

Strategic Investment and Industry M&A

Company / project	Strategic development
USA Rare Earth / Serra Verde	Acquisition completed September 2026, following agreement at an implied equity value of approximately US$2.8 billion. Serra Verde operates an **Ionic Clay** mine in Brazil.
Lynas / Meteoric Resources	Proposed acquisition announced October 2026, implying an equity value of approximately A$968 million. Meteoric's Caldeira **Ionic Clay** project has completed a DFS; transaction remains proposed.

Sources: USA Rare Earth, 20 April 2026; 4 September 2026; Lynas, 1 October 2026.

Harena's 100% project ownership, substantial **Ionic Clay** resource, completed PFS, DFC development funding and formalised Exploitation Permit position Ampasindava to advance within this developing market.

Market Abuse Regulation (MAR) Disclosure

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ('MAR') which has been incorporated into UK law by the European Union (Withdrawal) Act 2018. Upon the publication of this announcement via Regulatory Information Service, this inside information is now considered to be in the public domain.

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Investor questions on this announcement We encourage all investors to share questions on this announcement via our investor hub	https://harenaresources.com/link/eX1Z3r

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Notes to Editors

Harena Rare Earths plc

Harena (www.harenaresources.com) is a rare earths exploration and development company focused on the Ampasindava **Ionic Clay** Rare Earth Project in Madagascar (Harena's interest is 100%). The project hosts one of the largest **Ionic Clay** rare earth deposits outside of China, with significant concentrations of high-value magnet metals, including the light rare earths neodymium (Nd) and praseodymium (Pr), together with the heavy rare earths dysprosium (Dy) and terbium (Tb), which are critical for the composition of neodymium magnets (NdFeB). Harena is committed to low-impact, high recovery mining, providing a sustainable supply of critical minerals for the global energy transition and military defence industries as well as meeting the ever-growing demand for NdFeB from the robotics sector.

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