

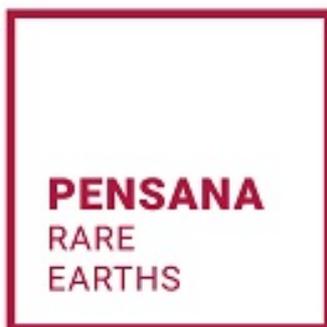
## **THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

**If you are in any doubt as to the contents of this document and/or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant, or other appropriate independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, from another appropriately authorised independent professional adviser in the relevant jurisdiction.**

If you have sold or otherwise transferred all of your ordinary shares in Pensana Rare Earths PLC, please forward this document together with the accompanying documents to the purchaser or transferee, or to the person who arranged the sale or transfer, so they can forward these documents to the person who now owns the ordinary shares.

The distribution of this document in jurisdictions other than the United Kingdom and Australia may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This document does not constitute any offer to issue or sell or a solicitation of any offer to subscribe for or buy ordinary shares in Pensana Rare Earths PLC.



(incorporated and registered in England and Wales under number 12206525 and registered as a foreign company in Australia ARBN 637 105 410)

## **Notice of General Meeting**

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This Notice of General Meeting of the Shareholders of the Company, which is to be held at 4.00 pm (AWST) on 15 May 2020 at Ground Floor, 10 Outram Street, West Perth, WA Australia, and accompanying Explanatory Notes, Proxy Form and CDI voting instruction form (as applicable) should be read in their entirety. If Shareholders or CDI Holders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

The Explanatory Notes that accompany and forms part of this Notice of General Meeting describes the matters to be considered and sets out that the Board unanimously recommends that you vote in favour of the Resolutions to be proposed at the General Meeting.

The action to be taken by Shareholders in respect of the General Meeting is set out on page 2 of this document. In light of the uncertainty and potential health risks created by the rapidly evolving COVID-19 pandemic, the Company strongly encourages shareholders to avoid attending the General Meeting in person given the risk posed by COVID-19.

Whether or not you intend to be present at the General Meeting, please complete and sign either the Proxy Form or CDI voting instruction accompanying this document, in accordance with the instructions printed on them, and return to either the Company or Computershare Investor Services Pty Limited (“**Computershare**”) (as applicable) as soon as possible, and in any event so that any Proxy Form is received by either the Company at 100 Pall Mall, London SW1Y 5NQ United Kingdom or Computershare at PO Box 242, Melbourne Victoria 3001 Australia no later than 4.00 pm (AWST) on 13 May 2020 and any CDI voting instruction is received by Computershare at PO Box 242, Melbourne Victoria 3001 Australia no later than 4.00 pm (AWST) on 12 May 2020.

## **ACTION TO BE TAKEN**

The General Meeting will be held on 15 May 2020 at Ground Floor, 10 Outram Street, West Perth, WA Australia at 4.00 pm (AWST).

Please check that you have received a Proxy Form or a CDI voting instruction for use in respect of the General Meeting with this document.

If you have not received a Proxy Form or CDI voting instruction, please contact Computershare on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).

## **COVID-19**

**The Board takes its responsibility to safeguard the health of its Shareholders, stakeholders and employees very seriously and so the following measures will be put in place for the General Meeting in response to the COVID-19 pandemic and the current measures being implemented by the Australian Government, such measures being expected to continue until after the date of the General Meeting.**

**The formal business of the General Meeting will only be to consider and vote upon the resolutions set out in the Notice of General Meeting. The holding of the meeting will be kept under review in line with the guidance given by the Australian Government. However, based on current measures implemented by the Australian Government attendance at the meeting will be limited to two persons, which will be sufficient to make it a quorate General Meeting. Shareholders are actively discouraged from attending the General Meeting given the current measures being implemented by the Australian Government. The Company is taking these precautionary measures to safeguard its Shareholders', stakeholders' and employees' health and make the General Meeting as safe and efficient as possible.**

**Shareholders wishing to vote on any of the matters of business are urged to do so through completion of either a Proxy Form or CDI voting instruction which can be completed and submitted in accordance with the instructions thereon. It is emphasised that any Proxy Forms or CDI voting instructions being returned via a postal service should be submitted as soon as possible to allow for any delays to or suspensions of postal services in Australia and/or the United Kingdom. It is strongly recommended that the Chairman of the meeting is appointed as proxy as it is unlikely that any other persons will be admitted to the meeting based on the current measures being implemented by the Australian Government. The completion and return of a Proxy Form or a CDI voting instruction will not preclude a Shareholder or CDI Holder (as applicable) from attending in person at the General Meeting and, in the case of Shareholders only, voting should the Shareholder wish to do so, subject to the measures implemented by the Australian Government.**

**In line with corporate governance best practice and in order that any proxy votes of those Shareholders who choose to not attend and vote in person are fully reflected in the voting on the resolutions, the Chairman of the meeting will direct that voting on all resolutions set out in the Notice of General Meeting will take place by way of a poll. However, it is emphasised that given that attendance at the General Meeting will be limited in accordance with measures being implemented by the Australian Government, Shareholders should consider whether their attendance is necessary. Under the Company's articles of association, votes on a poll may be given personally, by a corporate representative or by proxy. Every Shareholder who is present in person or by proxy shall have one vote for each share held by them.**

**A Shareholder or CDI Holder still wishing to attend the General Meeting in person should not do so if they or someone living in the same household feels unwell or has been in contact with anyone who has the virus or who feels unwell. In accordance with the Company's articles of association, the Board will put in place security arrangements and to gain entrance to the meeting, any Shareholder or their proxy will be required to sign a certificate to confirm that this is the case. In addition, based on the measures currently being implemented by the Australian Government it is likely that only one person, other than the Chairman of the meeting, will be admitted to the meeting. These requirements and confirmations are subject to change to reflect measures implemented by the Australian Government at the time of the General Meeting.**

**If the above arrangements with respect to the General Meeting change, Shareholders will be updated via the ASX Market Announcements Platform and on the Company's website at [www.pensana.co.uk](http://www.pensana.co.uk).**

We encourage Shareholders to continue to engage with the Board by:

- lodging a directed Proxy Form or CDI voting instruction (as applicable) in advance of the General Meeting by following the instructions in this Notice of General Meeting and in the Proxy Form;

- lodging any questions in advance of the General Meeting by emailing questions to the Company by 4.00 pm (AWST) on 12 May 2020 to admin@pensana.co.uk; and
- listening to the General Meeting by contacting the Company for further details.

**TO VOTE ON THE RESOLUTIONS:**

**Whether or not you intend to attend the General Meeting, please complete and sign the Proxy Form and return it, by post to either the Company at 100 Pall Mall, London SW1Y 5NQ United Kingdom or Computershare Investor Services Pty Limited at PO Box 242, Melbourne Victoria 3001 Australia, as soon as possible, but in any event, to be received no later than 4.00 pm (AWST) on 13 May 2020.**

This will enable your vote(s) to be counted at the General Meeting in the event of your absence. If the Proxy Form is not returned by 4.00 pm (AWST) on 13 May 2020 it will be invalid.

**If you hold your interest in shares as CHESS depositary interests (“CDIs”) you may vote using the CDI voting instruction enclosed in accordance with the instructions printed on it and return it by post to Computershare Investor Services Pty Limited at PO Box 242, Melbourne Victoria 3001 Australia no later than 4.00 pm (AWST) on 12 May 2020** (please also refer to the explanatory notes for the notice convening the General Meeting set out on pages 9 to 15 of this document).

The completion and return of the Proxy Form or the CDI voting instruction (as applicable) will not prevent you from attending and, in the case of Shareholders only, voting in person at the General Meeting should you wish to do so.

**Questions**

**If you have any questions relating to this document, the General Meeting or the completion and return of the Proxy Form or the CDI voting instruction, please contact Computershare on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia)**

# Notice of General Meeting

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Notice is given that a General Meeting of Pensana Rare Earths PLC (the “**Company**”) will be held at Ground Floor, 10 Outram Street, West Perth WA, Australia on 15 May 2020 at 4.00 pm (AWST) to consider and, if thought fit, pass the resolutions below. Resolutions 1 to 3 (inclusive) will be proposed as ordinary resolutions and Resolutions 4 to 5 (inclusive) as special resolutions.

## ORDINARY RESOLUTIONS

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### 1. RESOLUTION 1 - RATIFICATION OF PLACEMENT

*That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 7,648,670 New CDIs at an issue price of \$0.27 per New CDI on the terms and conditions in the Explanatory Notes.*

#### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue (being QG Africa Mining LP or any associate of that person).

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution that way; or
- (b) the Chairman of the General Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chairman to vote on the resolution as the Chairman decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided that the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## 2. RESOLUTION 2 – GENERAL AUTHORITY TO ALLOT SHARES

*That the Directors be generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 (the “Act”) to allot shares in the Company or grant rights to subscribe for or to convert any securities into shares in the Company (“Relevant Securities”) up to a maximum aggregate nominal amount of £40,155.50, provided that this authority shall expire at the conclusion of the next annual general meeting of the Company or, if earlier, fifteen (15) months from the date of passing this resolution save that the Company may before such expiry make an offer or agreement which would or might require Relevant Securities to be allotted after such expiry and the Directors may allot Relevant Securities in pursuance of such an offer or agreement as if the authority conferred had not expired.*

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## 3. RESOLUTION 3 – APPROVAL TO ALLOT AND ISSUE SHARES (OR CDIs) UNDER PLACEMENT FACILITY

*That, notwithstanding and in addition to the authority in resolution 2, the Directors be generally and unconditionally authorised:*

- (a) in accordance with Section 551 of the Act to allot Shares in the capital of the Company up to an aggregate nominal amount of £16,062; and*
- (b) in accordance with Listing Rule 7.1 and for all other purposes to issue up to 16,621,984 Shares (or CDIs) at no less than A\$0.20 per Share (or CDI),*

*on the terms and conditions in the Explanatory Notes.*

*This authority shall expire on the date which is 3 months following the passing of this Resolution.*

### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a holder of ordinary securities) or associate of that person (or those persons).

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution that way; or*
- (b) the Chairman of the General Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chairman to vote on the resolution as the Chairman decides; or*
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided that the following conditions are met:*

- (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
- (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **SPECIAL RESOLUTIONS**

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### **4. RESOLUTION 4 – DISAPPLICATION OF STATUTORY PRE-EMPTION RIGHTS (GENERAL AUTHORITY)**

*That subject to and conditional on, the passing of Resolution 2, the Directors be empowered, pursuant to Section 570 of the Act, to allot equity securities (within the meaning of Section 560(1) of the Act) for cash pursuant to the authority given by Resolution 2 as if Section 561(1) of the Act did not apply to any such allotment provided that such authority shall:*

- (a) be limited to the allotment up to an aggregate nominal amount of £40,155.50; and*
- (b) expire at the conclusion of the next annual general meeting of the Company or, if earlier, 15 months from the date of passing this resolution save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby has not expired.*

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### **5. RESOLUTION 5 – DISAPPLICATION OF STATUTORY PRE-EMPTION RIGHTS (PLACEMENT FACILITY)**

*That subject to and conditional on, the passing of Resolution 3, the Directors be empowered, pursuant to Section 570 of the Act, to allot equity securities (within the meaning of Section 560(1) of the Act) for cash pursuant to the authority given by Resolution 3 as if Section 561(1) of the Act did not apply to any such allotment provided that such authority shall:*

- (a) be limited to the allotment up to an aggregate nominal amount of £16,062; and*
- (b) expire on the date which is 3 months following the passing of this Resolution.*

Dated: 29 April 2020

By order of the Board

**Rob Kaplan**

Company Secretary

**Pensana Rare Earths PLC**

100 Pall Mall

London

SW1Y 5NQ

England

## EXPLANATORY NOTES

### Entitlement to attend and vote

- 1 Only members entitled to receive notice, or persons appointed as a proxy/corporate representative, are entitled to attend General Meetings and only those entitled to attend General Meetings will be admitted to the meeting without the prior approval of the Company.
- 2 Please see Explanatory Notes 3 to 18 for information on how to appoint a proxy. Under the ASX Listing Rules and the ASX Settlement Operating Rules, the Company as an issuer of CDIs, permits CDI Holders to attend any meeting of the holders of shares. Please see Explanatory Notes 20 to 27 for more information on how to vote your CDIs.

### Appointment of proxies

- 3 Every member entitled to attend and vote at a General Meeting has the right to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the General Meeting and you should have received a Proxy Form with this Notice of General Meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the Proxy Form.
- 4 A proxy does not need to be a member of the Company but must attend the General Meeting to represent you. Details of how to appoint the chairman of the meeting or another person as your proxy using the proxy form are set out in the notes to the Proxy Form. If you wish your proxy to speak on your behalf at the General Meeting you must appoint your own choice of proxy (not the chairman) and give your instructions directly to the relevant person.
- 5 You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, you may photocopy the enclosed Proxy Form for each proxy and specify against the proxy's name the number of shares over which the proxy has rights. If you are in any doubt as to the procedure to be followed for the purpose of appointing more than one proxy you must contact Computershare on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia). If you specify a number of shares greater than that held by you on the record date to which the proxy relates, proxy appointments will be invalid. If left blank your proxy will be deemed to be authorised in respect of your full voting entitlement (or if this proxy form has been issued in respect of a designated account for a shareholder, the full voting entitlement for that designated account).
- 6 If you do not indicate to your proxy how to vote on any Resolution, your proxy will vote or abstain from voting at his discretion. Your proxy will vote (or abstain from voting) as he thinks fit in relation to any other matter which is put before the General Meeting.

### Appointment of proxy using the hard copy proxy form

- 7 The notes to the Proxy Form explain how to direct your proxy how to vote on each Resolution or withhold his vote.
- 8 To appoint a proxy using the Proxy Form, it must be:
  - completed and signed;
  - sent or delivered to either the Company at 100 Pall Mall, London SW1Y 5NQ United Kingdom or Computershare Investor Services Pty Limited at PO Box 242, Melbourne Victoria 3001 Australia; and
  - received by the Company or Computershare (as applicable) no later than 4.00 pm (AWST) on 13 May 2020.
- 9 In the case of a Shareholder who is a company, the Proxy Form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the

company.

- 10 Any power of attorney or any other authority under which the Proxy Form is signed (or a duly certified copy of such power or authority) must be included with the Proxy Form.
- 11 The Company, pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those Shareholders registered in the register of members of the Company 48 hours before the General Meeting shall be entitled to attend or vote at the General Meeting in respect of the number of shares registered in their name at that time. Changes to entries on the relevant register of securities after that time will be disregarded in determining the rights of any person to attend or vote at the General Meeting. If the General Meeting is adjourned by more than 48 hours, then to be so entitled, Shareholders must be entered on the Company's register of members 48 hours before the time appointed for holding the adjourned meeting or if the Company gives notice of the adjourned meeting, at the time specified in that notice.

#### Appointment of proxy by joint members

- 12 In the case of joint holders of shares, where more than one of the joint holders' purports to appoint a proxy, only the appointment submitted by the most senior holder (being the first named holder in respect of the shares in the Company's register of members) will be accepted.

#### Changing proxy instructions

- 13 To change your proxy instructions simply submit a new proxy appointment using the method set out in paragraph 8 above. Note that the cut off time for receipt of proxy appointments specified in that paragraph also applies in relation to amended instructions. Any amended proxy appointment received after the specified cut off time will be disregarded.
- 14 Where you have appointed a proxy using the hard copy Proxy Form and would like to change the instructions using another hard copy Proxy Form, please contact the Company as indicated in paragraph 5 above.
- 15 If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

#### Termination of proxy appointments

- 16 In order to revoke a proxy instruction, you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company as indicated above. In the case of a Shareholder who is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.
- 17 The revocation notice must be received by the Company no later than 4.00 pm (AWST Time) on 13 May 2020. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to paragraph 18 below, your proxy appointment will remain valid.
- 18 Appointment of a proxy does not preclude you from attending the General Meeting and voting in person. If you have appointed a proxy and attend the General Meeting in person, your proxy appointment will automatically be terminated.

#### Corporate representatives

- 19 A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

#### Instructions for Holders of CDIs in the Australian register only:

- 20 Holders of CDIs will be permitted to attend the General Meeting but may only vote by directing CHESS Depository Nominees Pty Ltd (“**CDN**”) to cast proxy votes in the manner directed in the CDI voting instruction form enclosed.
- 21 The CDI voting instruction, together with any power of attorney or other authority (if any) under which it is signed, or a notorially certified copy thereof, should be sent to:

Postal address:

Computershare Investor Services Pty Limited  
PO Box 242, Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to:

(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

- 22 Holders of CDIs can instruct CDN to cast proxy votes online by visiting [www.investorvote.com.au](http://www.investorvote.com.au) and entering the Control Number, Shareholder’s SRN/HIN and their postcode, which are shown on the first page of the enclosed Proxy Form.
- 23 Directions must arrive by not later than 4.00 pm (AWST) on 12 May 2020 i.e. to allow CDN sufficient time to lodge the combined proxies 48 hours before the time of the General Meeting (without considering any part of a day that is not a working day).
- 24 Instructions for completing and lodging the CDI voting instruction form are appended to it.
- 25 You must be registered as the holder of CDIs as at 4.00 pm (AWST) on 12 May 2020 for your CDI voting instruction to be valid.
- 26 Should the General Meeting be adjourned then the deadline for revised voting instructions and the record date for determining registered holders of CDIs will be 72 hours before the time that the adjourned meeting recommences, excluding any part of a day that is not a working day.
- 27 To obtain a copy of the Understanding CHESS Depository Interests guide, go to [https://www.asx.com.au/documents/settlement/CHESS\\_Depository\\_Interests.pdf](https://www.asx.com.au/documents/settlement/CHESS_Depository_Interests.pdf) or phone 1300 300 279 if you would like one sent to you by mail.

#### Total voting rights

- 28 As at 28 April 2020, the Company’s issued share capital comprised 160,621 984 ordinary shares, with voting rights (in the form of CDIs). The Company does not hold any ordinary shares in treasury. Therefore, the total number of voting rights in the Company as at 28 April 2020 is 160,621,984.

#### Communications with the Company

- 29 You may not use any electronic address provided either in this notice or any related document (including the form of proxy) to communicate with the Company for any purposes other than those expressly stated.

## Notes to Resolution 1– Ratification of Prior Issue

On 11 March 2020, the Company announced that it had completed a placement to the Angolan Sovereign Wealth Fund, to raise a total of AUD\$2,065,141 from the issue of 7,648,670 ordinary shares in the capital of the Company at AUD\$0.27 per Share (the “**Placement**”). For the purposes of the ASX Listing Rules, the Company applied for quotation of 7,648,670 CDIs (“**New CDIs**”) in connection with the Placement.

Resolutions 1 seeks Shareholder ratification pursuant to Listing Rule 7.4 of the issue of the 7,648,670 New CDIs in connection with the Placement, being 7,648,670 New CDIs issued pursuant to Listing Rule 7.1.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the number of Equity Securities (as defined in the ASX Listing Rules) that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period (the “**15% Placement Capacity**”) (other than any approvals required under the Act).

As the Placement does not fall within any of the exceptions under the ASX Listing Rules and has not yet been approved by Shareholders, it effectively falls within the 15% Placement Capacity in Listing Rule 7.1, thereby reducing the Company’s capacity to issue further Equity Securities to approximately 10% of the fully paid ordinary securities it had on issue at the start of that period, without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue date.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of Equity Securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the Company’s capacity to issue further Equity Securities without shareholder approval under that rule. Consequently, the Company is seeking for Shareholders to ratify the issues of the New CDIs in connection with the Placement.

Given the current market uncertainty that has arisen in light of COVID-19 pandemic, the Company wishes to retain flexibility to issue additional Equity Securities to raise funds quickly without having to obtain Shareholder approval for such issues under Listing Rule 7.1. To this end, Resolution 1 seeks Shareholder approval for the Placement under and for the purposes of Listing Rule 7.4.

If Resolution 1 is passed, the Placement will be excluded in calculating the Company’s 15% Placement Capacity set out in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date (other than any approvals required under the Act).

If Resolution 1 is not passed, the Placement will be included in calculating the Company’s 15% Placement Capacity set out in Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

In accordance with Listing Rule 7.5, the following information is provided in relation to the Placement:

- the Company issued the New CDIs (which are currently held as ordinary shares by the Angolan Sovereign Wealth Fund );
- a total of 7,648,670 New CDIs were issued in connection with the Placement;
- the New CDIs issued rank equally with existing CDIs on issue;
- the New CDIs were issued on 18 March 2020;
- the New CDIs were issued for AUD\$0.27 per New CDI;
- the funds raised will be used to progress the Company’s Definitive Feasibility Study of its neodymium and praseodymium project located in Longonjo, Angola and to provide general working capital; and
- a voting exclusion statement is included in the Notice of General Meeting for Resolution 1.

## Notes to Resolution 2 – General authority to allot shares

Subject to a limited number of exceptions, the directors of a company must not allot shares unless they have the authority to do so under section 551 of the Act. An authority to allot shares in relation to a public company must always be granted under section 551 of the Act. Authority to allot shares pursuant to section 551 of the Act can be granted by either a provision in the articles of association of the company or by ordinary resolution passed by the members of the company.

An authority to allot shares given under section 551 of the Act must specify the maximum amount of shares that may be allotted under it. If the authority relates to the grant of rights to subscribe for shares, it must state the maximum amount of shares that can be allotted under those rights (section 551 (6), the Act). The authority must also specify an expiry date, which must not be more than five years from the date the resolution containing the authority is passed.

Once a section 551 authority to allot has expired, the Directors may, if specifically permitted by the terms of the expired authority, allot shares or grant rights to subscribe for or to convert any security into shares pursuant to an offer or agreement made by the company before the authority expired (section 551 (7), the Act).

Resolution 2 proposes to authorise the Board to allot and issue shares in the Company or grant rights to subscribe for or to convert any securities into shares in the Company up to an aggregate nominal amount of £40,155.50 (representing 40,155,500 new equity securities in the Company), such authority to expire at the next annual general meeting of the Company or fifteen months after the passing of this resolution, whichever date is the earlier. This amount represents approximately 25% of the Company's issued ordinary share capital as at the date of this Notice of General Meeting.

The Directors have no present intention of exercising this authority, but believe that the flexibility allowed by this Resolution may assist them in taking advantage of business opportunities as they arise.

## Notes to Resolution 3 – Approval to allot and issue shares (or CDIs) under Placement Facility

Resolution 3 seeks Shareholder approval pursuant to Listing Rule 7.1, section 551 of the Act and for all other purposes for the Directors to allot and issue up to 16,621,984 ordinary shares (or CDIs) at no less than A\$0.20 per ordinary share (or CDI) between the date of the General Meeting and the date which is 3 months after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing rules) (“**the Placement Facility**”).

As at the date of this Notice of General Meeting, the Company has 160,621 984 ordinary shares in issue. Therefore, if all ordinary shares (or CDIs) under this Resolution were allotted and issued by the Company, this would represent a dilutionary effect of 10%.

The Company has not yet made any agreement or arrangement to allot and issue the ordinary shares (or CDIs) under the Placement Facility or confirmed the number of ordinary shares (or CDIs) to be allotted and issued (other than the limit of 16,621,984 ordinary shares (or CDIs) in addition to any Equity Securities that may otherwise be issued pursuant to ASX Listing rule 7.1, 7.1A or 7.2). There is no certainty that the Company will proceed with any share issue under the Placement Facility.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the number of Equity Securities (as defined in the ASX Listing Rules) that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period (the “**15% Placement Capacity**”) (other than any approvals required under the Act).

The Placement Facility does not fall within any of the exceptions under the ASX Listing Rules. While the Placement Facility does not exceed the 15% Placement Capacity in Listing Rule 7.1 and can therefore be made without breaching that rule, the Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to shareholder approval under Listing Rule 7.1.

If Resolution 3 is passed, the issue of ordinary shares (or CDIs) under the Placement Facility can proceed without using any of the Company's 15% Placement Capacity on issuing Equity Securities without

Shareholder approval set out in Listing Rule 7.1.

If Resolution 3 is not passed (but Resolutions 2 and 4 are passed), the allotment and issue of Shares (or CDIs) under the Placement Facility can still proceed but it will reduce, to that extent, the Company's capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1 for 12 months following the issue of Shares (or CDIs) under the Placement Facility.

In accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 3:

- the Directors will determine the persons to whom the ordinary shares (or CDIs) will be allotted and issued but these persons will not be a related party or a person to whom Listing Rule 10.11 applies;
- the maximum number of ordinary shares (or CDIs) under the Placement Facility is 16,621,984;
- the securities to be under the Placement Facility will be fully paid ordinary shares in the capital of the Company. The ordinary shares (or CDIs) will be issued on the same terms and conditions as the Company's existing ordinary shares (or CDIs) and will rank equally with the Company's existing ordinary shares (or CDIs) on issue;
- the issue will occur no later than 3 months after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- the issue price of the ordinary shares (or CDIs) under the Placement Facility will not be less than A\$0.20;
- the funds raised under the Placement Facility will be used to progress the Company's Definitive Feasibility Study of its neodymium and praseodymium project located in Longonjo, Angola and to provide general working capital; and
- a voting exclusion statement is included in the Notice for Resolution 3.

#### Notes to Resolutions 4 and 5 – Disapplication of statutory pre-emption rights

Under section 561 of the Act, a company proposing to allot equity securities for cash must first offer them to each holder of shares in the Company pro rata to their existing shareholding. This pre-emption right applies to any allotment of equity securities unless either: (i) one of the exceptions set out in section 564 to section 566 of the Act applies or; (ii) the company excludes or dis-applies the statutory pre-emption rights by one of the permitted methods set out in sections 569 to 573 of the Act.

If the directors of a company are generally authorised to allot shares under section 551 of the Act, they may also be given the power to allot shares under that general authorisation as if the pre-emption provisions in section 561 of the Act did not apply (section 570 of the Act). As a disapplication of the statutory pre-emption right under section 570 of the Act works in combination with the authority to allot shares under section 551, the special resolutions dis-applying the statutory pre-emption right cross-refers to the corresponding authority to allot.

Resolutions 4 and 5, would give the Directors the authority to allot equity securities for cash without first offering them to existing shareholders in proportion to their existing shareholdings in respect of (i) the general authority of the Directors to allot shares proposed pursuant to Resolution 2; and (ii) the approval of the allotment and issue ordinary shares (or CDIs) proposed pursuant to Resolution 3.

The authority proposed to be granted pursuant to Resolution 4 will expire at the next annual general meeting of the Company or fifteen months after the passing of this resolution, whichever date is the earlier. The authority proposed to be granted pursuant to Resolution 5 will expire on the date which is 3 months following the passing of that resolution.

As each of Resolutions 4 and 5 are being proposed as special resolutions, at least 75% of the votes cast must be cast in favour of a resolution in order for it to be passed.

### Directors' recommendations

The Directors believe that all the proposals to be considered at the General Meeting are in the best interests of both the Company and its Shareholders. Accordingly, the Directors unanimously recommend that you vote in favour of the proposed resolutions as they intend to do in respect of their own holdings.



ARBN 637 105 410

## Need assistance?



**Phone:**

1300 850 505 (within Australia)  
+61 3 9415 4000 (outside Australia)



**Online:**

[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your vote to be effective it must be received by **4:00pm (AWST) Tuesday, 12 May 2020**.

# CDI Voting Instruction Form

## How to Vote on Items of Business

Each CHESS Depository Interest (CDI) is equivalent to one share of Company Common Stock, so that every 1 (one) CDI registered in your name at 12 May 2020 entitles you to one vote.

You can vote by completing, signing and returning your CDI Voting Instruction Form. This form gives your voting instructions to CHESS Depository Nominees Pty Ltd, which will vote the underlying shares on your behalf. You need to return the form no later than the time and date shown above to give CHESS Depository Nominees Pty Ltd enough time to tabulate all CHESS Depository Interest votes and to vote on the underlying shares.

## SIGNING INSTRUCTIONS FOR POSTAL FORMS

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the Australian registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Only duly authorised officer/s can sign on behalf of a company. Please sign in the boxes provided, which state the office held by the signatory, ie Sole Director, Sole Company Secretary or Director and Company Secretary. Delete titles as applicable.

## Lodge your Form:

**XX**

### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number: 183782**

**SRN/HIN:**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001  
Australia

### By Fax:

1800 783 447 within Australia or  
+61 3 9473 2555 outside Australia



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

# CDI Voting Instruction Form

Please mark  to indicate your directions

## Step 1 CHESSE Depository Nominees Pty Ltd will vote as directed

**XX**

### Voting Instructions to CHESSE Depository Nominees Pty Ltd

I/We being a holder of CHESSE Depository Interests of Pensana Rare Earths PLC hereby direct CHESSE Depository Nominees Pty Ltd to vote the shares underlying my/our holding at the General Meeting of Pensana Rare Earths PLC to be held at Ground Floor, 10 Outram Street, West Perth, Western Australia on Friday, 15 May 2020 at 4:00pm (AWST) and at any adjournment or postponement of that meeting.

By execution of this CDI Voting Form the undersigned hereby authorises CHESSE Depository Nominees Pty Ltd to appoint such proxies or their substitutes to vote in their discretion on such business as may properly come before the meeting.

## Step 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing CHESSE Depository Nominees Pty Ltd or their appointed proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

|   | For                      | Against                  | Abstain                  |
|---|--------------------------|--------------------------|--------------------------|
| 1 Ratification of Placement   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2 General authority to allot shares                                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3 Approval to allot and issue shares (or CDIs) under Placement Facility | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4 Disapplication of statutory pre-emption rights (General Authority)    | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5 Disapplication of statutory pre-emption rights (Placement Facility)   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

## Step 3 Signature of Securityholder(s) *This section must be completed.*

|   |   |   |             |
|---|---|---|-------------|
| <b>Individual or Securityholder 1</b><br><input type="text"/> | <b>Securityholder 2</b><br><input type="text"/> | <b>Securityholder 3</b><br><input type="text"/> | / /         |
| <b>Sole Director &amp; Sole Company Secretary</b>             | <b>Director</b>                                 | <b>Director/Company Secretary</b>               | <b>Date</b> |

### Update your communication details *(Optional)*

|  |  |
|--|--|
| <b>Mobile Number</b><br><input type="text"/> | <b>Email Address</b><br><input type="text"/> |
|--|--|

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

