



Daniel Nicholson
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Dear Daniel

Pensana Rare Earths plc – Listing Conditions

Pensana Rare Earths plc (**Company**) refers to ASX's letter dated 20 January 2020 (**Letter**) in relation to the Company's admission to the Official List of ASX Limited (**ASX**) and to quote its securities, subject to the satisfaction of certain conditions detailed in the Letter.

Defined terms have the meaning given in Schedule 1.

Reinstatement Conditions

- 1 The Company confirms that all conditions precedent (other than approval by ASX for quotation of the Company's securities) to be satisfied prior to the implementation of the Scheme under Part 5.1 of the Corporations Act between PM8 and PM8 Shareholders pursuant to the Scheme, as set out in the Scheme Booklet and Information Memorandum (**Conditions**) have been satisfied.
- 2 The Company further confirms that:
 - 2.1 the Scheme Implementation Agreement and the Deed Poll remain in force and effect;
 - 2.2 151,464,940 securities were issued to participants as part of the Scheme;
 - 2.3 PM8 was in compliance with listing rule 3.1 at the date of admission; and
 - 2.4 there are 7,878,037 performance rights and 450,000 unlisted options that had not been issued prior to the application for admission and have been issued prior to the commencement of official quotation.
- 3 The following documents have been provided to ASX in a form suitable for release to the market:
 - 3.1 the Company's Appendix 1A and Information Form and Checklist, Annexure I Mining Entities and Annexure III Foreign Entities;
 - 3.2 the Information Memorandum;
 - 3.3 the Scheme Booklet;
 - 3.4 the Company's articles of association;

- 3.5 the Company's securities trading policy;
- 3.6 the full terms of the Convertible Securities;
- 3.7 the full terms and conditions of the employee share option plan;
- 3.8 a distribution schedule of the number and percentage of holders in each class of security to be quoted, setting out the number of holders as set out in the Appendix 1A and Information Form and Checklist; and
- 3.9 a statement setting out the names of the 20 largest holders of each class of securities to be quoted, including the number and percentage of each class of securities held by those holders.

4 The capital structure of the Company at the time of admission is:

Ordinary Shares	152,973,314
Performance Rights	7,858,037
Options	450,000

5 ASX has granted the following waivers and confirmations to the Company:

- 5.1 **Listing Rule 1.1 condition 3** – confirmation that the Company may issue an information memorandum that complies with the requirements of listing rule 1.4 (except as waived), instead of a prospectus, for the purposes of satisfying listing rule 1.1 condition 3, on condition that the Information Memorandum incorporates all relevant information about the Scheme.
- 5.2 **Listing Rule 1.1 condition 8** – waiver to permit the Company to be admitted to the official list of ASX without satisfying the spread requirements of that rule, on condition that PM8 satisfies listing rule 12.4 at the time the Company is admitted to the official list.
- 5.3 **Listing Rule 1.1 condition 9** – waiver to permit the Company to be admitted to the Official List without complying with either of listing rules 1.2 or 1.3, on condition that PM8 satisfies listing rules 12.1 and 12.2 at the time the Company is admitted to the Official List.
- 5.4 **Listing Rule 1.1 condition 12** – waiver to permit the Company to issue up to 7,858,037 performance rights with various expiry dates and subject to various vesting conditions an exercise price of less than \$0.20.
- 5.5 **Listing Rule 1.4.1** – waiver to permit the Information Memorandum not to state that it contains all the information required under section 710 of the Corporations Act, subject to the following conditions:
 - 5.5.1 the Information Memorandum incorporates the Scheme Booklet;

- 5.5.2 the Company releases all of the documents incorporated into the Scheme Booklet by reference to the market as pre-quotation disclosure; and
- 5.5.3 PM8 provides a statement to the market that it is in compliance with listing rule 3.1 at the time the Company is admitted to the official list of the ASX.
- 5.6 **Listing Rule 1.4.7** – waiver to permit the Information Memorandum not to include a statement that the Company has not raised any capital for the three months before the date of issue of the Information Memorandum and will not need to raise capital in the three months after the date of issue of the Information Memorandum.
- 5.7 **Listing Rule 1.4.8** – waiver to permit the Information Memorandum not to include a statement that a supplementary information memorandum will be issued if, following the issue of the Information Memorandum and the date the Company’s securities are quoted on ASX, the Company becomes aware of any of the matters referred to in that rule, on condition that PM8 undertakes to release such information over the ASX Market Announcements platform. A deed of undertaking was executed by PM8 in favour of ASX.
- 5.8 **Listing Rule 2.1 condition 2** – waiver to permit the Company to be admitted to the Official List with an issue price of shares in the Company having a value of less than \$0.20.

Should you require any further information, please do not hesitate to contact me.

Kind regards



Tim George
Director
Pensana Rare Earths plc

SCHEDULE 1

Appendix 1A means a prescribed form of the ASX relating to ASX listing applications.

Annexure I Mining Entities means a prescribed form of the ASX relating to ASX listing applications and forms part of the Information Form and Checklist.

Annexure III Foreign Entities means a prescribed form of the ASX relating to ASX listing applications and forms part of the Information Form and Checklist.

Conditions has the meaning given to that term in section 1.

Convertible Securities has the meaning given to that term in section 3.6.

Corporations Act means the *Corporations Act 2001* (Cth).

Deed Poll means the deed poll dated 31 October 2019 executed by the Company in favour of each Scheme Participant.

Effective Date means the date that the Scheme becomes effective.

Information Form and Checklist means a prescribed form of the ASX relating to ASX listing applications.

Information Memorandum means the information memorandum dated 9 January 2020.

Listing Rule means the ASX listing rules.

Official List means the official list of securities that ASX has admitted but not removed.

PM8 means the Pensana Metals Limited (ACN 121 985 395).

Record Date means 4:00pm (AWST) on the second business day after the Effective Date.

Scheme means the scheme of arrangement pursuant to Part 5.1 of the Corporations Act proposed to be between PM8 and Shareholders.

Scheme Booklet means the document dated 29 November 2019.

Scheme Implementation Agreement means the agreement dated 31 October 2019 between the Company and PM8.

Scheme Participant means a Shareholder as at the Record Date.

Shareholder means a holder of one or more shares in PM8 as shown on the share register.