

SIGNIFICANT NdPr PRODUCTION TO POWER THE GREEN REVOLUTION



Co-development agreement signed with Bosveld Phosphates to process rare earth elements ("REE") from two gypsum stacks totalling c. 35Mt.



Initial grab sample assays indicate a grade of 0.6% TREO indicating c. 210Kt of contained TREO, with NdPr comprising 30% of the basket, which compares very favourably with other rare earth projects globally.



LOW OPERATING COST EXPECTATIONS

- Cost of moving material from stacks for re-processing will be much lower than the costs normally associated with mining a primary ore-body.
- Cost of beneficiation to a mixed rare earth carbonate expected to be significantly lower than for a mined mineral rare earth project.
- Good local infrastructure is in place to bring consumables required for re-processing to site cost-efficiently.

PROVEN PROCESSING

- Historical processing, including initial flotation by Foskor followed by further processing in Sasol's PhosAcid plant, deposited a gypsum residue with upgraded REE's in chemical form in stacks.
- Initial reports suggest low levels of radioactive elements, similar to those seen at Rainbow's Gakara Project.
- The pilot plant developed by Sasol successfully produced 3t mixed rare earth carbonate and an associated cerium depleted oxide from the gypsum.
- The pilot plant remains on site and is available to be recommissioned under the agreement.

EARN-IN DETAILS

- Total consideration of US\$750k to be paid to Bosveld in three tranches over 12 months:
 - US\$250k in cash on completion of due diligence process;
 - US\$250k in shares after 6 months at the prevailing share price at the time of issue;
 - US\$250k after 12 months in cash or shares at the election of Bosveld.
- Rainbow are responsible for delivering a PFS, which will be upgraded to a BFS subject to a positive outcome.
- Initial 70% held by Rainbow: 30% by Bosveld, following completion of the PFS.
- Mechanism to allow Rainbow's JV ownership to vary from 60% to 85% depending on IRR of PFS at spot rare earth prices versus initial 25% benchmark.

ENVIRONMENTAL RESPONSIBILITY

- Re-processing carries significant environmental benefits, by redepositing clean, benign gypsum suitable for use in building and fertiliser industries.
- Fully permitted, with an Environmental Impact Assessment completed.

PHALABORWA RARE EARTHS PROJECT



FACT SHEET

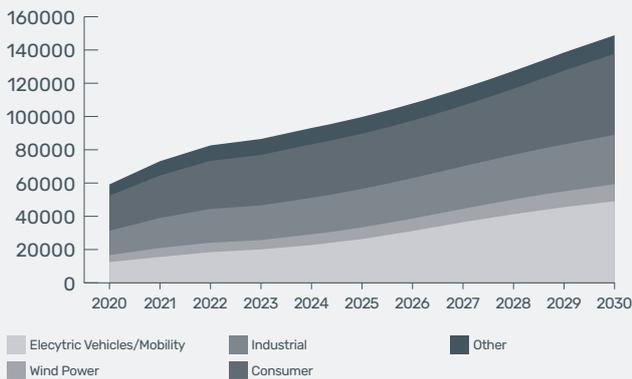
CARBONATE VS. CONCENTRATE

- The REE minerals have already been “cracked” and exist in chemical form in the two gypsum stacks. This delivers important benefits compared to a traditional rare earth mining project:
 - The expected costs of beneficiation are significantly lower than for a mined mineral rare earth project – cracking is energy intensive and requires significant use of reagents.
 - Lower capital intensity expected due to simpler flow sheet than would be required to crack a mineral concentrate.
 - The value of the resulting mixed rare earth carbonate will be significantly higher than a mineral concentrate (such as that produced at Rainbow’s Gakara project in Burundi). Initial reports suggest that the mixed rare earth carbonate can generate up to 80% of the underlying rare earth metal prices for the project.

NdPr FOR THE GREEN REVOLUTION

- NdPr is a fundamental building block in the global green technology revolution.
- As a key component of permanent magnets, required in the construction of motors and turbines, analysts are predicting demand for these rare earth oxides to grow substantially over the coming years, tipping the market into a supply deficit.

ANTICIPATED GLOBAL REO MAGNET DEMAND GROWTH



Total NdPr oxide supply in 2019 totalled 61kt. With demand predicted to reach 141kt by 2030 the ability of the industry to grow supply to match the anticipated demand is uncertain. Analysts have noted the challenges to bring new rare earth mines into production, including high levels of capital required to overcome complex processing flowsheets for many development projects. Forecasters are expecting rare earth prices, specifically Nd and Pr, to rise significantly to allow demand to be met.

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