



REENOVA INVESTMENT HOLDING LIMITED

(Incorporated in the Republic of Singapore | Company Reg. No.: 200104762G)

Website: www.reenovagroup.com

SGX Stock Code: **5EC**

APPOINTMENT OF PRE-FEASIBILITY STUDY ENGINEERING DESIGN SPECIALIST

The Board of Directors (the “**Board**”) of Reenova Investment Holding Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company’s wholly-owned subsidiary, Reenova Global Pte. Ltd. (“**Reenova Global**”) had on 26 February 2021 entered into an agreement to engage METC Engineering (Pty) Ltd (“**METC**”) to assist in managing and completing a pre-feasibility study of a plant for the initial stage of commercialisation (“**Phase 1 Commercial Plant**”) within the 238km² concession area that hosts rare earth oxides in north-western Madagascar, Africa (the “**Rare Earth Project**”) (the “**Appointment**”). The Rare Earth Project is 75% owned by the Group through Reenova Global.

The Rare Earth Project is estimated at a total rare earth oxides (“**TREO**”) resource of approximately 560,000 tonnes (ref: SGS Canada’s NI43-101 technical report of October 2014 and updated in June 2016). The resource also hosts the top five rare earth elements namely praseodymium (Pr), Neodymium (Nd), Terbium (Tb), Europium (Eu) and Dysprosium (Dy) which is currently in high demand, in particular, for applications in rare earth magnets. Reenova Global is planning to commence pilot production in 2021 to produce dry rare earth oxides product with a 92% grade (“**TREO ≥ 92%**”).

The Appointment is to manage and complete a pre-feasibility study for the Phase 1 Commercial Plant with a production capacity of 2,000 tonnes of TREO ≥ 92% per annum (the “**PFS**”). The PFS will provide estimates on the capital expenditure and operating expenses for Phase 1 Commercial Plant, which allows the Group to stage the progress towards commercialisation.

METC will be working with Kopilot Project Development from Canada to deliver the PFS for the greenfield Rare Earth Project including solution mining (in-situ leaching), a process plant, associated mine and process plant infrastructure, services (raw water and electricity supply) to produce 2,000 tonnes of TREO ≥ 92% per annum.

Whilst the COVID-19 pandemic affected travelling, the Group continues to make preparations to commence the initial pilot production phase. The Group remains committed to bringing the greenfield Rare Earth Project to commercialisation.

The Company will make further announcements on material developments to update shareholders as and when it arises.

On Behalf of the Board

REENOVA INVESTMENT HOLDING LIMITED

Chen Tong
Executive Chairman

26 February 2021

About METC Engineering

METC Engineering is an engineering design house that designs and builds metallurgical plants for mines. The combination of engineering efficiency and extensive project design experience driven by entrepreneurial passion has made METC a premier engineering design company. The METC team members have designed, built and operated more than 75 metallurgical plants across the African continent.

METC Engineering is capable of taking both greenfield and brownfield projects through the entire life cycle starting with stock exchange compliant (NI43-101, JORC and SAMREC) scoping studies, preliminary feasibility studies and detailed feasibility studies moving through detailed engineering to project execution in a responsive, fast moving, open and flexible manner. Its directors and engineers have been members of both the owners and contractor teams and have managed EPCM and EPC fixed price projects.

METC's Value Proposition & Rare Earths Experience

1. METC's team has developed processing plants across Africa and understands the infrastructure and logistics requirements of African projects.
2. METC has experience with Rare Earths projects having completed studies in both Namibia (Lofdal Project for Namibia Rare Earths Inc) and Tanzania (Ngualla Project for Peak Resources) and most recently for Rainbow Rare Earths in Burundi.
3. The METC study team including its sub-consultant will provide Reenova Global with a team suitably experienced to deliver the technical requirements of the pre-feasibility study.

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