Signing of strategic technology supply and offtake agreement with Carester, US$20 million equity investment from the Industrial Development Corporation, and commencement of DFS for the Zandkopsdrift magnet rare earths and battery grade manganese project in South Africa

Luxembourg, February 5, 2026: Frontier Rare Earths Limited ("Frontier" or the "Company"), which is developing the Zandkopsdrift magnet rare earths and battery grade manganese project in South Africa, is pleased to announce the signing of a Technology Supply Agreement with Carester SAS ("Carester"), one of the leading western rare earths separation specialists, and an investment of US$20m from South Africa's Industrial Development Corporation to finance a Definitive Feasibility Study ("DFS"), with first production targeted for 2030.

HIGHLIGHTS

- **Strategic technology supply and offtake agreements signed with leading rare earth specialist Carester**
  - Carester's proprietary rare earth solvent extraction technology to be deployed at Zandkopsdrift
  - Will enable production of high-purity NdPr oxide and mixed heavy rare earth carbonate ("MHREC") at Zandkopsdrift
  - Includes 7-year offtake for MHREC, which will be processed at Carester's Lacq facility in France
- **Updated Prefeasibility Study ("PFS") on Zandkopsdrift project completed in 2025**
  - Expected to be lowest-cost producer of battery-grade manganese globally and lowest-cost producer of magnet rare earths outside China
  - Battery-grade manganese by-product revenue expected to cover ~90% of rare earth production costs, with neodymium-equivalent net production cost of <US$15/kg, compared to current market price of >$100/kg
  - Post-tax NPV10%: US$2.0bn; post-tax IRR (ungeared): 28%; post-tax IRR (50% geared): 34%; average annual revenue: US$727m; average operating margin: 72%
- **Long-life, magnet-focused production profile**
  - Expected average annual production (first 25 years): ~3,038 tpa NdPr oxide, and 114 tpa of Dy oxide and 25 tpa of Tb oxide separated by Carester
  - Magnet rare earths (Nd, Pr, Dy, Tb) represent ~94% of contained rare earth value
  - Proven and Probable Reserves support >45-year mine life at planned production rates
- **US$20 million strategic equity investment from Industrial Development Corporation of South Africa**
  - Investment to fund DFS and corporate development activities
  - Conditions precedent satisfied in September 2025, with DFS under way and completion scheduled for H1 2027
  - IDC holds an option for offtake up to 10% of production at prevailing market prices, subject to being used in further downstream processing in South Africa
- **Zandkopsdrift designated as EU Strategic Project; multiple potential EU funding pathways under evaluation**
  - Designated a Strategic Project under the EU's Critical Raw Materials Act (June 2025)
  - Aligned with objectives of EU–South Africa Clean Trade and Investment Partnership (signed November 2025) and the EU's RESourceEU Action Plan financing (announced December 2025)
- **First production targeted for 2030**

- Zandkopsdrift project fully permitted with Mining Right and Environmental Authorisation in place
- Infrastructure planning (roads, power, process water) already completed, supporting a smooth transition from DFS into mine development

Philip Kenny, Chairman of Frontier, commented "We are delighted to have signed these strategic agreements with Carester, which will result in our flagship Zandkopsdrift project being the first project in Africa to deploy Carester's industry-leading rare earths extraction technology. We are also very pleased to have secured a US$20m strategic investment from the IDC to fund a DFS on Zandkopsdrift.

With Zandkopsdrift expected to be the lowest cost producer of magnet rare earths outside China after taking into account net revenue credits from a battery grade manganese byproduct, for which it will be the lowest cost producer in the world, we believe that Frontier is now well positioned to make a meaningful contribution to the diversification of the western world's rare earths and battery raw material supply chains."

Frédéric Carencotte, president of Carester, commented "This partnership marks another step in Carester's strong commitment to supporting the development of a secure and sustainable European rare earth industry. The offtake agreement ensures long-term feedstock security for our French plant and demonstrates how close industrial cooperation can reinforce the critical raw materials value chain."

Rian Coetzee, Divisional Executive: Industry Planning and Project Development of the IDC, commented "The IDC's investment in Frontier reflects our mandate to support projects that advance Southern Africa's industrialisation and critical minerals strategy. Zandkopsdrift is a high-quality project with strong fundamentals and the potential to support downstream beneficiation, job creation and long-term economic value. Our participation as an equity partner aligns the project with national development priorities while positioning it for sustainable growth."

Strategic Technology Supply and Offtake agreements signed with Carester

Technology Supply Agreement

Frontier has signed a Technology Supply Agreement with Carester SAS, which is one of the leading western rare earths separation specialists and is currently constructing a heavy rare earths separation plant and rare earths recycling plant in Lacq, Pyrénées-Atlantiques, France.

Carester's Lacq plant is scheduled to commence operations in Q4 2026 and is being developed with €216 million in financial support from the French Government, the Japan Organization for Metals and Energy Security (JOGMEC) and Iwatani Corporation, a leading Japanese industrials and advanced materials company. With a production capacity of ~600 tpa of dysprosium (Dy) and terbium (Tb) oxides, the Lacq plant will be the largest heavy rare earth oxide separation plant in the western world, representing approximately 15% of current global production capacity.

Under the Technology Supply Agreement Carester will provide Frontier with access to its proprietary rare earths solvent extraction ("SX") technology in order to allow Frontier to produce a high purity mixed neodymium and praseodymium ("NdPr") oxide and a MHREC at Zandkopsdrift.

Offtake Agreement

In conjunction with the Technology Supply Agreement, Frontier has also signed a 7-year offtake agreement with Carester, renewable for a further 3 years, under which Carester will purchase the

MHREC produced at Zandkopsdrift for separation at its Lacq facility and from which it will produce high purity Dy and Tb oxides.

Expected average annual production for the first 25 years of operation at Zandkopsdrift are 3,038 tonnes of NdPr oxide, 114 tonnes of Dy oxide and 25 tonnes of Tb oxide (the Dy and Tb being contained in MHREC produced at Zandkopsdrift and separated by Carester at Lacq.) At current planned production rates the Proven and Probable Mineral Reserves[1] at Zandkopsdrift will support a mine life of more than 45 years.

Magnet rare earth sales
Frontier will sell the high purity NdPr oxide produced at Zandkopsdrift directly into the rare earths magnet value chain and is currently in discussions with a number of OEMs that are interested in securing supplies of non-China magnet rare earths.

2025 PFS Update
PFS scope
Frontier previously completed a pre-feasibility study on Zandkopsdrift in 2015, the results of which indicated that the proposed development of Zandkopsdrift to produce rare earths and a saleable manganese sulphate by-product was technically and economically feasible. The 2015 PFS was based on the production of a mixed rare earth hydroxide at Zandkopsdrift, separation into individual rare earth oxides at a dedicated rare earths separation plant at the port of Saldanha Bay (300 km to the south of Zandkopsdrift), and the production of agricultural and industrial manganese sulphate as a byproduct of the rare earths extraction process.

Between 2022 and 2025 Frontier updated the PFS to reflect the following changes:

- Modification of the rare earths circuit to produce a high purity mixed rare earths carbonate ("MREC") and not a mixed rare earth hydroxide;
- While the manganese sulphate produced during the 2015 PFS was close to battery grade specifications, additional purification stages were added to the manganese sulphate circuit in order to meet battery grade high purity manganese sulphate monohydrate ("HPMSM") specifications;
- Removal of the Saldanha separation plant from the project development plan;
- Revision of cost estimates to reflect escalation in capital and operating costs since completion of the 2015 PFS ; and
- Incorporation of updated rare earths and HPMSM price forecasts into the PFS financial model.

Lowest cost producer of HPMSM in the world and lowest cost producer of rare earths outside China
Based on the results of the 2025 PFS, Zandkopsdrift is expected to be the lowest cost producer of HPMSM in the world, principally due to the fact that a manganese sulphate solution is produced as a byproduct of the rare earths extraction process and the energy required for the evaporative crystallisation section stage of the HPMSM circuit is provided by waste heat from the rare earths circuit.

The net revenue contribution from the HPMSM byproduct is expected to cover approximately 90% of rare earth production costs and result in a net neodymium equivalent production cost of <$15/kg. This would make Zandkopsdrift the lowest cost producer of rare earths outside China. The current price for neodymium is in excess of $100/kg.

Magnet rare earths account for 94% of rare earths value; 45 year expected mine life
The four critical magnet rare earths, neodymium, praseodymium, dysprosium and terbium, account for 94% of the contained rare earth value in the MREC.

The Proven and Probable Mineral Reserves at Zandkopsdrift will support a 45 year mine life at planned production rates and contain:

- 125,400 tonnes of neodymium;
- 36,500 tonnes of praseodymium;
- 6,200 tonnes of dysprosium; and
- 1,400 tonnes of praseodymium

Highlights from the 2025 PFS
Selected highlights from the 2025 PFS are provided below.

Financial	
Post tax $NPV_{10\%}$	$2,000m
Post tax IRR (ungeared)	28%
Post tax IRR (50% geared)	34%
Annual revenue [2, 3]	$727m
Annual profit before tax ($m) [2]	$523m
Annual profit after tax ($m) [2]	$394m
Operating margin [2]	72%
Phase 1 capex (excl. contingency) [4]	$628m
Production	
Annual NdPr production in MREC (t TREO equivalent) [2]	3,038
Annual Dy production in MREC (t TREO equivalent) [2]	114
Annual Tb production in MREC (t TREO equivalent) [2]	25
Annual battery grade manganese sulphate production (t) [2]	96,000
Mining	
Life of Mine (years) [5]	45.5
Waste mined (Mt)	24.3
Ore mined (Mt)	43.5
Stripping ratio	0.56
Rare earths head feed grade (% TREO) [2]	2.1%
Manganese head feed grade (% MnO) [2]	5.1%

US$20 million equity investment from Industrial Development Corporation
In 2024, Frontier agreed terms with the Industrial Development Corporation of South Africa ("IDC") for a US$20 million equity subscription agreement into Frontier's South African subsidiary, Frontier Critical Minerals, to fund a DFS on Zandkopsdrift and for related corporate development activities.

The IDC is a major South African development financing institution with over 80 years of experience investing in industrial companies and the mining sector. With approximately US$8.5 billion in assets under management and annual investments of around US$1 billion across mining and industrial value chains in Southern Africa, the IDC plays a central role in advancing South Africa's strategic priorities, including local value addition, downstream processing, energy transition minerals, job creation, and export competitiveness.

The conditions precedent for the IDC investment were satisfied in September 2025. Under the terms of the equity subscription, the IDC also has an option to enter into an offtake agreement for up to 10% of production from Zandkopsdrift at prevailing market prices, subject to such offtake being directed by the IDC for further downstream processing in South Africa.

DFS and Mine Development Plans

Dorfner Anzaplan UK Ltd, a subsidiary of Dorfner Anzaplan GmbH of Germany, one of the leading EU consultancy and engineering companies for industrial, specialty mineral and metal projects, has been appointed to manage the DFS. The DFS is currently under way and is scheduled for completion in H1 2027.

The main changes in project scope for the DFS compared to the 2025 PFS are as follows:

- Rare earths
    - The rare earth section of the flowsheet is being modified to incorporate Carester's SX technology to produce NdPr oxide and MHREC directly from the RE water leach solution at the mine site. This will allow the reduction/removal of downstream impurity removal and RE precipitation circuits.
    - Carester will provide Frontier with process and engineering design services for the rare earths SX circuits.
    - Carester will also provide support for the subsequent plant construction, commissioning, ramp-up and optimization stages.
- Battery grade manganese
    - The manganese section of the flowsheet is being modified to produce both battery grade HPMSM (which is used in lithium ion NCM batteries) and battery grade manganese tetroxide (which is used in emerging lithium ion LMFP batteries).
    - The battery grade manganese process technology supplier will produce product samples for customer evaluation, training and commissioning support during construction, and provide a process guarantee.

The DFS is being undertaken in accordance with Canadian National Instrument 43-101 ("NI 43-101"), which is considered to be the most rigorous regulatory standard for mineral project technical disclosure, as it requires preparation and signoff by independent technical experts. Preparation of the DFS in accordance with NI 43-101 is expected to assist with due diligence by potential debt and equity providers for the mine construction financing.

The Zandkopsdrift project is fully permitted, with Mining Right and Environmental Authorisation already in place, and as provision has already been made in the project development plans for all necessary infrastructure, including access roads, power and process water, Frontier plans to proceed directly into mine development following completion of the DFS, with first production expected in 2030.

Designation as a Strategic Project by the EU and potential EU funding support

In June 2025 Zandkopsdrift was designated as a Strategic Project under the EU's Critical Raw Materials Act ("CRMA"). Zandkopsdrift is one of only three rare earths extraction projects and three battery grade manganese projects designated as Strategic Projects by the EU, and is the only Strategic Project in South Africa.

Following this designation Frontier has engaged with the European Commission to investigate potential sources of EU funding for Strategic Projects, including:

- The EU's first Clean Trade and Investment Partnership ("CTIP"), which was signed with South Africa in November 2025. The objectives of the CTIP include mobilising of funding via EU development banks and support from EU export credit agencies for projects that can secure strategic mineral and metals supply chains for the EU and South Africa. These objectives will be supported by an EU Global Gateway investment package for South Africa of approximately EUR12 billion. The European Commission has indicated that the implementation of the CTIP should support projects such as Zandkopsdrift.
- The EU's RESourceEU Action Plan, which was announced in December 2025. The objective of the Action Plan is to accelerate the delivery of the EU's Critical Raw Materials Strategy and supply chain resilience for critical raw materials. Under the Action Plan the EU will support EU Strategic Projects through a financing hub that will de-risk investments and coordinate different sources of funding, with EUR3 billion being mobilised in 2026.

Frontier has also had extensive direct engagements with development banks and export credit agencies in Germany, France and several other EU countries who have expressed interest in assisting with the financing that will be required to support the implementation stage of the Zandkopsdrift project.

Frontier will be participating in a number of EU sponsored events around the Mining Indaba conference that will be held in Cape Town from 9-12 February 2026, including a presentation on Strategic CRM Projects in Africa at the EU Pavillion, and a panel at a joint South Africa-EU investment seminar on minerals and metals value chains.

Notes:

1. Mineral Reserves
   The 43-101-compliant Mineral Reserve Estimate is set out below and represents an overall conversion rate from Measured and Indicated Mineral Resources to Mineral Reserves of 91%. The Mineral Reserve Estimate is based on a fully diluted, delivered to plant model and a cut-off grade of 1% TREO, and takes into consideration various factors including mining losses, dilution, and the calculation of mineral reserves based only on mineral resources within the pit design that was prepared for PFS.

Zandkopsdrift Mineral Reserve Estimate				
Mineral Reserve Classification	Tonnage (Mt)	TREO Grade (%)	Contained TREO (Kt)	Contained MnO (Kt)
Proven	14.93	2.21	330	784
Probable	26.19	1.75	458	1,194
TOTAL	41.12	1.92	788	1,978

2. Average over first 25 years of mine life.
3. Revenues based on independent price forecasts for rare earths and battery grade HPMSM.
4. Project to be built in two phases, with Phase 2 being a doubling of Phase 1 capacity.
5. Based on mining of Proven and Probable Mineral Reserves.

Further information:

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About Frontier and Zandkopsdrift

Frontier Rare Earths Limited is a privately held, Luxembourg based mineral exploration and development company focused on the development of critical mineral projects in Africa.

Frontier's flagship asset is the Zandkopsdrift rare earths and battery grade manganese project, which is located in the Northern Cape Province of South Africa. Shareholders in the project include, the Industrial Development Corporation, which is owned by the South African government, Korea Mine Rehabilitation and Mineral Resources Corp. ("KOMIR"), which is owned by the South Korean government, and South African Black Economic Empowerment ("BEE") shareholders, who have a 26% direct shareholding interest in the project. The Zandkopsdrift project is fully permitted, with Mining Right and Environmental Authorisation already in place, and a Social and Labour plan has been finalised and approved following a two-year consultation process with local communities and local, provincial and national government.

Frontier intends that the Zandkopsdrift project will be developed, constructed and operated in accordance with all applicable South African laws and regulations and, where more stringent, in alignment with relevant international industry practices, including the Equator Principles, IFC Performance Standards, World Bank Group EHS Guidelines, the Global Industry Standard on Tailings Management, the UN Guiding Principles on Business and Human Rights, and other internationally recognised responsible mining, environmental, social and governance standards.

The rare earths mineralisation at Zandkopsdrift is contained in monazite, for which commercial extraction processes are proven and well understood. Radioactivity in the ore is very low, and radiological studies conducted as part of the environmental impact assessment of the project concluded that the environmental impact of the radionuclides will be negligible.

To learn more visit www.frontierrareearths.com, or e-mail enquiries@frontierrareearths.com.

About Carester

Carester SAS is a leading rare earth refining and process-engineering company founded in 2019 by Frédéric Carencotte and a team of highly experienced international experts. Carester's strengths include process design, environmental performance, and closed-loop magnet recycling, and has over 250 years of combined rare earth experience. Carester is building Caremag in Lacq, southwest France, a large-scale rare earth separation and recycling plant supported by over €216 million of funding from Japanese partners JOGMEC/Iwatani and the French Government, with first production expected in late 2026.

To learn more, visit www.carester.fr.

About IDC

The IDC is a major South African development financing institution with over 85 years of experience investing in industrial companies and the mining sector. With approximately US$8.5 billion in assets under management and annual investments of around US$1 billion across mining and industrial value chains in Southern Africa, the IDC plays a central role in advancing Africa's strategic priorities, including local value addition, downstream processing, energy transition minerals, job creation, and export competitiveness.

To learn more, visit www.idc.co.za