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Rainbow Rare Earths Limited
24 September 2026

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Rainbow Rare Earths Limited
(“**Rainbow**” or “**the Company**”)
LSE: RBW

Rainbow signs MoU with Neo Performance Materials for Technical Support and Offtake for Phalaborwa; update on PFS and DFS

- **Rainbow signs Memorandum of Understanding (“MoU”) with Neo Performance Materials (TSX:NEO, “Neo”) for technical support and design input for Rainbow’s final solvent extraction (“SX”) separation circuit**
- **In return for the use of Neo’s SX technology, Rainbow will provide offtake rights to Neo on commercial terms covering 40% of NdPr and 65% of SEG+ production from Phalaborwa**
- **Neo is a leader in rare earth separation technology; test work using Rainbow’s high-grade REE solution is underway at Neo’s facilities in Estonia**
- **Rainbow and Neo have committed to expeditiously advance binding long-form agreements in respect of the MoU; the Estonian test work will proceed concurrently**
- **This decision will enable the release of a Pre-Feasibility Study (“PFS”) in Q4, allowing Rainbow to update the market on the economics of the Phalaborwa project and incorporating the initial SX test work, ahead of a Definitive Feasibility Study (“DFS”) in H1 2027**
- **The PFS will allow Rainbow to progress both financing and permitting workstreams for Phalaborwa in support of the overall project development timeline**

Technical Support

Rainbow is pleased to announce the signing of an MoU under which Neo will become Rainbow’s technical partner to deliver the final SX circuit for the Phalaborwa project in South Africa. The final separation circuit is expected to deliver separated NdPr oxide at >99% purity and a mixed SEG+ heavy rare earth carbonate, containing dysprosium and terbium as well as other heavy rare earth elements, suitable for further separation at Neo’s facilities.

Rainbow has undergone a comprehensive and competitive selection process to determine the optimal technical partner for the final SX separation circuit. Neo has undertaken technical due diligence on Rainbow’s Phalaborwa project as part of that process, validating Rainbow’s status as a near-term supplier of rare earth products. Rainbow is pleased to select Neo as its technical partner on the basis of their operating and technical experience across multiple commercial rare earths facilities.

Commercial Offtake

The MoU with Neo for Phalaborwa offtake will cover 40% of the annual separated >99% purity NdPr oxide production and 65% of the annual mixed SEG+ heavy rare earth carbonate production. Pricing will be on arms-length commercial terms based on relevant rare earth price indices. In addition, Rainbow and Neo have agreed to consider a toll treatment arrangement for the balance of the SEG+ which will allow Rainbow to market the balance of its separated Dy, Tb & Y.

Work to agree the details of the Phalaborwa offtake agreement in the form of binding long-form documents has commenced and Rainbow will update the market in due course as these are completed.

Phalaborwa Technical Study Update

Initial test work using the Company's high-grade rare earth solution is now underway in Estonia. Once completed, Neo will assist with running a confirmatory integrated pilot-scale SX plant in Johannesburg to support the DFS. Completion of the DFS is now planned for H1 2027.

To support the overall project timeline, the Company plans to publish a PFS in Q4 2026. Completing the PFS provides Rainbow an opportunity to provide the market an interim update on the economics of the Phalaborwa project for the first time since the December 2024 Interim Study, incorporating the significant progress the Company has made over the past 24 months, as well as the initial SX test work to be completed in partnership with Neo. The PFS will define the final product, process and the waste streams with sufficient certainty to substantively progress both financing and permitting workstreams.

Further, the PFS is being completed in accordance with SEC Regulation S-K 1300 as the Company continues its ongoing evaluation of the opportunity to pursue a U.S. listing.

George Bennett, CEO of Rainbow, commented: *"Finalising our technology partner for the SX separation process was the remaining step required to complete the definition of our process to extract REEs from phosphogypsum waste. We are delighted that Neo has agreed to partner with us - their deep understanding and experience in rare earth separation and magnet materials is invaluable. That they have taken the decision to partner with Rainbow is in line with an aligned strategy to secure a vital, verifiable source of the permanent magnet elements required to satisfy demand for a reliable, secure supply of REEs.*

The decision to release a PFS will enable us to initiate key project development activities in earnest to support our overall timeline to production and also supports our preparedness in respect of evaluating the opportunity to list in the US, which we believe will be key in unlocking further shareholder value."

Rahim Suleman, President & CEO of Neo Performance Materials, commented: *"This partnership with Rainbow advances Neo's strategy to build a secure and resilient rare earth magnet supply chain supported by diverse, secondary sources of rare earth feedstock. Rainbow's Phalaborwa Project is a distinctive opportunity with the potential to reach the market in a relatively short timeframe. Because the phosphogypsum is already at surface and requires no new mining, the Project has the potential for a lower development risk profile than many greenfield projects. Combining Rainbow's expertise in recovering rare earths from phosphogypsum with Neo's decades of experience in rare earth separation, processing and magnet manufacturing allows our teams to jointly optimize the process from recovery through final separation, while providing customers with the secure, traceable supply chains that critical minerals markets increasingly demand."*

For further information, please contact:

Rainbow Rare Earths Ltd	Company	George Bennett Pete Gardner	+27 (0) 82 652 8526
	IR	Elizabeth Johnson	+44 (0) 777 565 5927 EJ@rainbowrareearths.com
Tavistock Communications	PR/IR	Charles Vivian Eliza Logan	+44 (0) 20 7920 3150 rainbowrareearths@tavistock.co.uk
BMO Capital Markets	Broker	Thomas Rider John Gale	+44 (0) 20 7664 8121
Berenberg	Broker	Matthew Armitt Jennifer Lee	+44 (0) 20 3207 7800

About Rainbow:
Rainbow Rare Earths aims to be one of the lowest cost suppliers of critical rare earth raw materials in the western world supply chain. Advancing two core projects, Phalaborwa in South Africa and Uberaba in Brazil in partnership with The Mosaic Company, Rainbow is one of the most advanced market participants pursuing secure, near-term and globally competitive upstream supply of rare earths products crucial for industrial, energy transition, and defence applications.

With a unique project portfolio focused on the recovery of rare earth elements from phosphogypsum, a by-product of fertiliser production, Rainbow's projects avoid traditional mining and front-end processing stages. This represents a significant competitive advantage in bringing sustainable, long-life and low-cost supply of rare earths to market.

About Neo Performance Materials:

Neo manufactures the building blocks of many modern technologies that enhance efficiency and sustainability. Neo's advanced industrial materials – magnetic powders, rare earth magnets, magnetic assemblies, specialty chemicals, metals, and alloys – are critical to the performance of many everyday products and emerging technologies. Neo's products fast-forward technologies for the net-zero transition. The business of Neo is organized along three segments: Magnequench, Chemicals & Oxides and Rare Metals. Neo is headquartered in Toronto, Ontario, Canada; with corporate offices in Greenwood Village, Colorado, United States; Singapore; and Beijing, China. Neo has a global platform that includes manufacturing facilities located in Canada, Estonia, China, Germany, Thailand and the United Kingdom, as well as a dedicated research and development center in Singapore.

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