



ASX Announcement 14 February 2022

Shenghe Resources to acquire a 19.9% interest in Peak Rare Earths

- **Shenghe Resources has agreed to acquire a 19.9% interest in Peak from Appian**
- **The acquisition is priced at A\$0.99 per share, representing a 24.5% premium to the last closing price of Peak shares**
- **The transaction represents a strong endorsement of Peak and its projects, given Shenghe Resources' position in the market as a leading Chinese rare earth company with a market capitalization of approximately US\$4.9 billion**
- **Peak remains committed to the interests of all of its shareholders and continuing to progress its integrated Ngualla-Teesside rare earth project. Key regulatory, offtake and financing initiatives currently underway are continuing to be progressed.**

Peak Rare Earths Limited (ASX: **PEK**) ("**Peak**" or the "**Company**") has been informed that Shenghe Resources Holding Co Ltd ("**Shenghe**") has agreed to acquire a 19.9% interest in Peak from Appian Pinnacle Holdco Limited ("**Appian**"), through its subsidiary, Shenghe Resources (Singapore) Pte Ltd. Peak was not involved in any discussions or negotiations between Appian and Shenghe.

Shenghe is a large Chinese rare earth group with operations spanning mining and beneficiation, refining and separation, as well as alloy and metals production. Its international interests include an approximate 8% holding in MP Materials Corp (NYSE:MP), a 90% holding in Vietnam Rare Earth Company Limited Limited, and a 9% holding in Greenland Minerals Limited (ASX:GGG). Shenghe is listed on the Shanghai Stock Exchange (SSE: 600392.SS) and has a market capitalisation of approximately US\$4.9 billion.

Commenting on the transaction, the Chair of Peak, Tony Pearson, said:

"Shenghe is a leading participant in the global rare earth sector and we view its investment as a strong endorsement of the world-class nature of Peak's integrated Ngualla-Teesside rare earth project. Peak remains committed to its integrated Ngualla-Teesside strategy and we look forward to continuing our existing regulatory, technical and commercial discussions in order to progress our project to a final investment decision."

A notice of initial substantial holding reflecting Shenghe's investment is expected to be lodged by Shenghe with the Company and the ASX in accordance with the Corporations Act. The Peak Board will review these materials and the transaction with its advisors having regard to the interests of all of Peak's shareholders. The Peak Board will provide shareholders with any further information as required.



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This transaction is at the shareholder level and will not impact the strategy, day-to-day operations, management or employees of Peak.

Shenghe will not be entitled to, and Appian will no longer enjoy, Appian's previous shareholder rights, which included director nomination rights, capital raising notifications and information and consultation rights. As a result, Rebecca Morgan, a nominee director of Appian, has resigned as a non-executive director of the Company.

Commenting on the departure of Rebecca Morgan, Tony Pearson said:

"On behalf of the Board, I would like to extend our gratitude to Ms Morgan for her significant contribution to the Company during her tenure as a non-executive director. Ms Morgan provided valuable insight across a range of areas and played a significant role in building Peak's technical team. We wish Ms Morgan well in her future endeavours."

This announcement is authorised for release by the Company's Board of Directors.

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Managing Director

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