

14 October 2024

**Neo Energy Metals plc
('Neo Energy' or 'the Company')**

Acquisition of the Henkries South Uranium Project Further Consolidates Neo Energy Metals' Strategic Uranium Holdings in the Northern Cape Province

Neo Energy, the near term, low-cost uranium developer, is pleased to announce that its wholly owned South African subsidiary, Neo Uranium Resources South Africa (Pty) Ltd ('NURSA'), has entered into a binding heads of agreement ('Agreement') to acquire a 100% interest in the Henkries South Uranium Project ('Henkries South') from South African uranium exploration company, Eagle Uranium SA (Pty) Ltd ('Eagle Uranium').

The Henkries South Project comprises one granted Prospecting Licence that extends over approximately 1,050km² and is immediately south and adjoins the Company's existing Henkries Uranium Project located in the administrative district of Namaqualand in the Northern Cape Province of South Africa.

The acquisition of Henkries South materially increases the Company's strategic landholding in the region by over 130% from a current 742km² area to almost 1,800km². It adds a further +10km strike length of shallow paleo-channels to the current 36km of strike length of paleo-channels that have been demonstrated to host the shallow uranium mineralisation at the Company's Henkries Project from the multiple resource drilling programmes and feasibility work completed as part of the historic US\$30 million of exploration and development expenditure.

Previous exploration combined with investigations completed by the Company's technical management team has shown that Henkries South contains multiple radioactive anomalies located throughout the licence area and given the extent of these radiometric anomalies, these targets are expected to add significantly to the resource potential at the Henkries Project.

In addition, the shallow and at surface uranium mineralisation seen at the Company's Henkries Project is considered to have been derived from uranium that has been transported across and from Henkries South, from the uraniumiferous granites in Springbok. Uranium mineralisation in the southern area of the Henkries Project is seen at surface and at shallow depths of up to 6.0m, demonstrates good continuity and averages between 300ppm U₃O₈ to 400ppm U₃O₈ and has always been considered as offering the potential for major new and significant uranium discoveries.

The acquisition of Henkries South underscores the Company's commitment to rapidly advance the Henkries Project towards production and now provides the opportunity for the Company to consider a significantly larger scale mining operation delivering on low-cost uranium in the near-term.

The acquisition of Henkries South follows the independent technical update report completed by South African mining consultants, Erudite Strategies Limited completed in June 2024, which confirmed the low operating and capital costs and overall robust project economics of the Henkries Project and has provided the Company with the technical and economic basis upon which to further consolidate its position in the Northern Cape's highly attractive and fast emerging uranium sector.

The Henkries South acquisition is the second of three strategic uranium acquisitions being undertaken by the Company and follows shortly after the signing last month of the formal acquisition documentation by the Company to acquire the Beisa North and Beisa South Uranium and Gold Projects, which have existing resources of 90Mlbs of U₃O₈ and 4.2Mozs of gold extending over an area of approximately 80km² in the Witwatersrand Basin, located in the Free State Province of South Africa.

These acquisitions are being undertaken in line with the Company's strategy to establish itself as South Africa's leading uranium mining company and one of Africa's major uranium mine operators and developers.

Under the commercial terms of the Agreement, the Company will now issue Eagle Uranium and the minority shareholders in Henkries South with 25 million shares in the Company and will repay ZAR600,000 (approximately £26,500) of inter-company debt. On execution of formal documentation and receipt of all necessary regulatory approvals, the Company will issue a further 175 million shares to Eagle Uranium and repay an additional amount of ZAR1.7 million (approximately £75,000) of existing indebtedness. Further deferred equity payments of 125 million shares in the Company for each 5Mlb of JORC Compliant Resources of uranium will be issued up to a maximum of 250 million shares in the Company.

Highlights:

- Agreement signed with Eagle Uranium to acquire a 100% interest in the Henkries South Uranium Project
- Henkries South is located immediately south of and is contiguous to the Company's existing Henkries Uranium Project
- The Henkries South Project comprises one granted Prospecting Licence that extends over approximately 1,050km² and includes the farms Naip no. 68, Eendop no. 69, Kontorogab no. 75, Kweekfontein no. 73 and Kaitob no. 74, all located in the administrative district of Namaqualand
- The acquisition more than doubles the Company's strategic landholding in the uranium prospective region from 742km² to almost 1,800km²
- Henkries South contains multiple radioactive anomalies that have been located throughout the approximately 1,050km² licence area

- Given the extent of these radiometric anomalies, these targets are expected to add significantly to the resource potential at the Henkries Project as further resource drilling and metallurgical test work is completed by the Company in 2024 and 2025
- The uranium hosted paleo-channels in the Company's Henkries Project, which extend for almost 40km in strike length, have been further identified in Henkries South to extend for over 30km of strike length based on mapping and airborne radiometric data interpretation
- The shallow and at surface uranium mineralisation seen at the Company's Henkries Project is considered to have been derived from uranium that has been transported across Henkries South from the uraniferous granites located near Springbok
- This uranium mineralisation that has been identified in the southern area of the Henkries Project is extremely shallow and has uranium grades of between 300ppm U_3O_8 to 400ppm U_3O_8 . The same mineralisation trend is expected in Henkries South where the Company sees the potential for several major new and significant uranium discoveries
- Independent technical work completed in June 2024 on the previous positive feasibility study completed on the Henkries Project by Anglo Operations Limited, confirmed the low operating and capital costs and overall robust project economics of the Henkries Project and supports the Company's strategy to expand its position with this acquisition of Henkries South which adjoins the Henkries Project
- The Company's technical management team and consultants will now commence further work on the airborne radiometric data and on mapping and sampling work to better assess the extent of the uranium anomalies and paleo-channels that host the at surface and shallow uranium mineralisation
- It is proposed that the Company's planned uranium resource expansion drilling work that is to commence later this quarter on the Henkries Project will be extended to also now include Henkries South
- Completion of the formal documentation for the acquisition of Henkries South is expected during October 2024, with the Company and Eagle Uranium to then seek receipt of all applicable regulatory approvals for the acquisition
- The Henkries South acquisition is the second of three planned uranium acquisitions to be completed by the Company to consolidate its position around the Henkries Project in the Northern Cape Province and around the recently acquired Beisa North and Beisa South Uranium and Gold Projects in the Witwatersrand Basin, located in the Free State Province of South Africa.
- The acquisition of Henkries South is considered another key step by the Board in advancing its strategy to position Neo Energy as South Africa's leading uranium mining company and one of Africa's major uranium mine operators and developers
- Further updates on additional uranium project acquisitions are anticipated to be made shortly as the Company looks to strengthen its portfolio of uranium projects for both mine development and resource expansion

Sean Heathcote, Neo Energy Metals CEO said:

“We are excited to announce the successful acquisition of the Henkries South Uranium Project held by Eagle Uranium.

Located immediately south of our current operations at our Henkries Project, we recognised the strategic potential of this opportunity well before our listing on the London Stock Exchange last year and we are therefore pleased to have now finalised this acquisition, which we have patiently diligently pursued to maximise value for our shareholders.

From a technical and geological perspective this acquisition is particularly significant due to its location within the uranium migration pathway, connecting the Springbok granites with the deposition in the Kao paleo channel at Henkries Central and Henkries North. As a result, this expansion more than doubles our strategic landholdings in the pivotal Northern Cape region. Our investigations indicate that this area holds considerable potential to both increase the scale of our planned Henkries Uranium Mine and to extend its mine life significantly.

We aim to finalise the formal documentation in October 2024 and to then secure the necessary regulatory approvals for this acquisition and in tandem with the ongoing process for the Beisa North and South Projects.

We view this acquisition as a vital step in our growth strategy in South Africa’s uranium sector, reinforcing our commitment and consolidating our position in one of the most prospective uranium regions in South Africa, an area we are committed to both accelerate our exploration and new mine development activities.

We are excited about the opportunities this acquisition presents as we continue to execute our strategy of building a leading uranium-focused company and we look forward to providing further updates on these acquisitions in due course.”

Admission

Application has been made for the Acquisition Shares to be admitted to trading on the London Stock Exchange on or around 14 October 2024 ('Admission') and will rank *pari passu* with the ordinary shares of the Company in issue.

Total Voting Rights

Following Admission, the Company's issued share capital will comprise 1,494,002,668 ordinary shares of 0.01p each, with each share carrying the right to one vote, therefore the total number of voting rights in the Company will be 1,494,002,668. This figure may be used by shareholders as the denominator for calculations by which they will determine if they are required to notify their interest in the Company, or a change to their interest in the Company, under the Financial Conduct Authority's Disclosure Guidance and Transparency Rules.

This announcement contains inside information for the purposes of the UK Market Abuse Regulation, and the Directors of the Company are responsible for the release of this announcement.

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About NEO Energy Metals Plc

Neo Energy is a Uranium developer and mining company listed on the main market of the London Stock Exchange (LSE: NEO). The Company holds up to a 70% stake in the Henkries Uranium Project, an advanced, low-cost mine located in South Africa's Northern Cape Province. It has been estimated by some that the historical investment in the project was over US\$30 million in exploration and feasibility studies. Neo Energy aims to increase the project's mineral resources and complete an updated feasibility study with the aim of bringing Henkries into production in the shortest possible timeframe.

The Company also holds a 100% interest in the Beisa North and Beisa South Uranium and Gold Projects in the Witwatersrand Basin, located in the Free State Province of South Africa. The combined projects record a total SAMREC Code compliant resources of 90.24 million pounds ('Mlbs') of U₃O₈ and 4.17 million ounces ('Mozs') of gold.

The Company is led by a proven board and management team with experience in uranium and mineral project development in Southern Africa. Neo Energy's strategy focuses on an accelerated development and production approach to generate cash flow from Henkries while planning for long-term exploration and portfolio growth in the highly prospective Uranium district of Africa.

The Company's shares are also listed on the A2X Markets (A2X: NEO), an independent South African stock exchange, to enable the Company to expand its investor base and facilitate strategic acquisitions of uranium projects, particularly within South Africa.

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