Public Information Summary

Host Country(ies)	South Africa, Upper Middle-Income Country
Name(s) of Borrower(s)/Guaranteed Party(ies)	TechMet Limited ("TechMet") - Phalaborwa Rare Earths Project
Project Description	TechMet is an Irish private company limited by shares that invests in companies that mine and process various critical minerals and other metals. The Phalaborwa Rare Earths Project (the "Project") will reprocess gypsum wastes from legacy mining activities to extract, process, and separate rare earth oxides for downstream use in permanent magnets.
Proposed DFC Investment	DFC proposes to invest up to $50 million in equity.
All-Source Funding Total	TechMet is raising a $300 million equity round in support of its full portfolio. The Phalaborwa project will require approximately $317 million of total funding.
Policy Review	
Developmental Objectives	The Project expects to have a positive development impact in South Africa by increasing production of rare earth oxides, which are critical minerals for a wide variety of purposes, including electric vehicle batteries and other products that support the global clean energy transition. Global demand for magnets from rare earth oxides is expected to increase by 7.5% annually through 2040, and it is estimated that Africa holds up to 30% of the world's mineral reserves. In South Africa, mining represents 8% of GDP, yet mining output has fallen below pre-pandemic levels due to currency fluctuations, inflation, persistent electricity outages and logistical disruptions. The Project is expected to support South Africa's production and export of rare earth oxides and create full-time local jobs. It is also expected to contribute to South Africa's economic development by generating income through contracts with local suppliers and tax and royalty payments to South Africa's government.
Environment and Social Assessment	**SUMMARY FOR PUBLIC INFORMATION PROFILE** **Screening:** The Project has been reviewed against DFC's categorical prohibitions and has been determined to be categorically eligible. The Project involves the construction and operation of a facility to extract and process rare earth minerals from existing unconsolidated waste tailings stacks and is

	screened as Category B under DFC's Environmental and Social Policies and Procedures ("ESPP") because impacts are site-specific and readily mitigated. **Applicable Standards:** Under DFC's ESPP, the project company will be required to comply with the applicable national laws and regulations related to environmental and social performance. DFC's environmental and social (" E&S") due diligence indicates that the investment will have impacts which must be managed in a manner consistent with the following International Finance Corporation 2012 Performance Standards ("PS"): PS 1: Assessment and Management of Environmental and Social Risks and Impacts; PS 2: Labor and Working Conditions; PS 3: Resource Efficiency and Pollution Prevention; PS 4: Community Health, Safety, and Security; PS 6: Biodiversity; and PS 8: Cultural heritage The Project is located within an existing phosphate processing facility. Accordingly, no adverse impacts related to physical or economic displacement or indigenous peoples are anticipated, and PS 5 and 7 are not triggered at this time. **Environmental and Social Risks and Mitigation:** Environmental and social issues of concern include water and energy use; the potential for releases of contaminants from mine waste stacks and the processing facility to air, groundwater, surface water, and soils; management of hazardous materials; community nuisance impacts such as noise, dust, and traffic; labor management, including occupational health and safety; and waste management. The Project is currently carrying out an Environmental Impact Assessment (EIA) that also addresses social issues and may be required by DFC to implement additional mitigation measures based on the findings of the EIA. The Project will develop a comprehensive ESMS applicable to the construction and operational phases of the Project as well as all necessary management programs required to mitigate the risks and impacts as identified in the EIA and all associated specialist studies. GHG emissions for the Project are estimated to be 32,000 tCO2e/year for Scope 1 and 106,600 tCO2e/year for Scope 2.
Grants Assessment	N.A.