THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION, if you are in any doubt about the contents of this Document you should consult a person authorised under the Financial Services and Markets Act 2000 who specialises in advising on the acquisition of shares and other securities if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

This Document comprises (i) a circular prepared for the purposes of the Annual General Meeting convened pursuant to the notice of Annual General Meeting set out at the end of this Document; and (ii) a prospectus relating to Blencowe Resources plc (the "**Company**") which has been approved by the Financial Conduct Authority (the "**FCA**"), as competent authority under Regulation (EU) 2017/1129. The FCA only approves this prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the quality of the securities that are, or the Company which is the, subject of this prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

The current entire issued share capital of the Company ("**Existing Ordinary Shares**") is admitted to the Official List of the UK Listing Authority (the "**Official List**") (by way of a standard listing under Chapter 14 of the listing rules published by the UK Listing Authority ("**Listing Rules**")) and to the London Stock Exchange plc (the "**London Stock Exchange**"). As the proposed acquisition (the "**Acquisition**") of Consolidated African Resources (Uganda) Ltd ("**Consolidated African (Uganda)**") is classified as a Reverse Takeover under the Listing Rules, upon completion of the Acquisition the listing on the standard listing segment of the Official List of all Existing Ordinary Shares will be cancelled, and application will be made for the immediate admission of the enlarged share capital of the Company (the "**Enlarged Share Capital**") to trading on the London Stock Exchange's Official List Main Market for listed securities, by way of a standard listing (together, "**Admission**"). It is expected that Admission will become effective, and that unconditional dealings in the Shares will commence, at 8.00 a.m. on 28 April 2020.

THE WHOLE OF THE TEXT OF THIS DOCUMENT SHOULD BE READ BY PROSPECTIVE INVESTORS. YOUR ATTENTION IS SPECIFICALLY DRAWN TO THE DISCUSSION OF CERTAIN RISKS AND OTHER FACTORS THAT SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE ORDINARY SHARES AS SET OUT IN THE SECTION ENTITLED "RISK FACTORS" BEGINNING ON PAGE 10 OF THIS DOCUMENT.

The Directors, whose names appear on page 27 of this Document, and the Company, accept responsibility for the information contained in this Document. To the best of the knowledge of the Directors the information contained in this Document is in accordance with the facts and this Document makes no omission likely to affect its import.

BLENCOWE RESOURCES PLC

(Incorporated in England and Wales with company number 10966847)

Proposed acquisition of Consolidated African Resources (Uganda) Limited

Placing of 24,999,996 Shares of 0.5 pence each at £0.06 per Share

Subscription for 8,333,333 Shares of 0.5 pence each at £0.06 per Share

Admission of the Enlarged Share Capital to the Official List (by way of Standard Listing under Chapter 14 of the Listing Rules) and to trading on the London Stock Exchange's Main Market for listed securities

and

Notice of Annual General Meeting

Broker

Brandon Hill Capital Limited

Issued share capital immediately following Admission
98,333,326 Fully Paid Shares of 0.5 pence each

Brandon Hill Capital Limited ("**Brandon Hill**") has been appointed by the Company as its broker in connection with the Placing, Subscription and Admission. Brandon Hill, which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for the Company and no one else in relation to the Placing, Subscription and Admission. Brandon Hill will not regard any other person (whether or not a recipient of this Document) as its client in relation to the Placing, Subscription and Admission and will not be responsible to anyone (other than the Company in respect to Admission) for protections afforded to the clients of Brandon Hill or for providing any advice in relation to Admission or the Placing or Subscription, the contents of this Document or any transaction or arrangement referred to herein. No liability whatsoever is accepted by Brandon Hill for the accuracy of any information or opinions contained in this Document or for the omission of any material information, for which it is not responsible. However, nothing in this paragraph excludes or limits any responsibility which Brandon Hill may have under the Financial Services and Market Act 2000 or the regulatory regime established thereunder, or which, by law or regulation cannot otherwise be limited or excluded.

This Document does not constitute an offer to sell, or the solicitation of an offer or invitation to buy or subscribe for, Shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company.

OVERSEAS SHAREHOLDERS

This admission document is not a 'prospectus', 'product disclosure statement' or other 'disclosure document' for the purposes of the Corporations Act 2001 (Cth) ("**Australian Corporations Act**") and is not required to be lodged with the Australian Securities and Investments Commission ("**ASIC**") or the Australian Securities Exchange ("**ASX**"). Accordingly, a person may not (directly or indirectly) offer for subscription or purchase or issue invitations to subscribe for or buy or sell the Shares, or distribute this admission document where such offer, issue or distribution is received by a person in the Commonwealth of Australia, its territories or possessions, except if:

(a) the amount payable by the transferee in relation to the Shares is A$500,000 or more or if the offer or invitation to the transferee is otherwise an offer or invitation that does not require disclosure to investors in accordance with part 6D.2 or part 7.9 of the Corporations Act; or

(b) the offer or invitation does not constitute an offer to a 'retail client' under Chapter 7 of the Corporations Act.

The Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or under the securities laws of any state or other jurisdiction of the United States or under applicable securities laws of Canada or Japan. Subject to certain exceptions, the Shares may not be offered, sold, resold, transferred or distributed directly or indirectly, and this Document may not be distributed by any means including electronic transmission within, into, in or from the United States or to or for the account or benefit of persons in the United States, South Africa, the Republic of Ireland, Canada, Japan or any other jurisdiction where such offer or sale would violate the relevant securities laws of such jurisdiction. This Document does not constitute an offer to sell or a solicitation of an offer to purchase or subscribe for Shares in any jurisdiction in which such offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company. The Shares may not be taken up, offered, sold, resold, transferred or distributed, directly or indirectly within, into or in the United States except pursuant to an exemption from, or in a transaction that is not subject to, the registration requirements of the Securities Act. There will be no public offer in the United States, although the Company may sell the Shares in a private placement transaction in the United States pursuant to an exemption from registration.

The distribution of this Document in or into jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possessions this Document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

None of the Shares have been approved or disapproved by the United States Securities and Exchange Commission (the "**SEC**"), any state securities commission in the United States or any other regulatory authority in the United States, nor have any of the foregoing authorities passed comment upon or endorsed the merit of the offer of the Shares or the accuracy or the adequacy of this Document. Any representation to the contrary is a criminal offence in the United States.

Application has been made for the Shares to be admitted to the Official List by way of a Standard Listing. A Standard Listing will afford investors in the Company a lower level of regulatory protection than that afforded to investors in companies with Premium Listings on the Official List, which are subject to additional obligations under the Listing Rules.

It should be noted that the UK Listing Authority will not have authority to (and will not) monitor the Company's compliance with any of the Listing Rules that the Company has indicated herein that it intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Company to so comply.

This Document is dated 30 March 2020

CONTENTS

SUMMARY

This summary has been drawn up as a short document written in a concise manner and of a maximum length of seven sides of A4-sized paper when printed. In accordance with Article 7 of the Prospectus Regulation this summary is be made up of the following four sections: (A) an introduction, containing warnings; (B) key information on the issuer; (C) key information on the securities; and (D) key information on the offer of securities to the public and/or the admission to trading on a regulated market.

SECTION A – INTRODUCTION AND WARNINGS

Introduction

The legal and commercial name of the issuer is Blencowe Resources plc (the "**Company**") with the registered address at 25 Bilton Road, Rugby, Warwickshire CV22 7AG and telephone number +44 01624 681250. The Company's international securities identification number (ISIN) is GB00BFCMVS34 and its legal entity identifier (LEI) is 213800UXIHBIRK36GG11.

This Document has been approved on 30 March 2020 by the Financial Conduct Authority (the "**FCA**"), as competent authority under Regulation (EU) 2017/1129.

Warnings

This summary should be read as an introduction to this Document. Any decision to invest in the Shares should be based on consideration of this Document as a whole by the investor. The Investor could lose all or part of the invested capital.

Where a claim relating to the information contained in this Document is brought before a court the plaintiff investor might, under national law, have to bear the costs of translating this Document before legal proceedings are initiated.

Civil liability attaches only to those persons who have tabled this summary including any translation thereof but only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of this Document or it does not provide, when read together with the other parts of this Document, key information in order to aid investors when considering whether to invest in such securities.

SECTION B – KEY INFORMATION ON THE ISSUER

Who is the Issuer of the Securities?

Issuer: The Company was incorporated as a company with limited liability on 18 September 2017 under the laws of England and Wales under the Companies Act with an indefinite life and with company number 10966847 and LEI, 213800UXIHBIRK36GG11.

Principal Activities

The Company was formed as a natural resources sector focused special purpose acquisition company to undertake an acquisition of a target company or business. The Company is authorised to issue one class of shares ("**Shares**") and had the Shares admitted by the FCA to a Standard Listing and to trading on the London Stock Exchange's Main Market for listed securities on 18 April 2019 (the "**Initial IPO**"). The Company raised £340,000 (before expenses) in conjunction with the Initial IPO and the formation of the Company through a placing and founder subscriptions.

Since the Initial IPO, the Company has identified a target acquisition in the natural resources sector. On 13 May 2019 the Company announced that the Company had entered into a heads of agreement with Consolidated Africa Limited ("**Consolidated Africa**") and New Energy Minerals Africa Pty Ltd ("**New Energy**") relating to the assignment of a binding option to acquire 100 per cent. of the share capital of Consolidated African Resources (Uganda) Ltd ("**Consolidated African (Uganda)**"), a subsidiary of Consolidated Africa (the "**Acquisition**"), by way of reverse takeover under the Listing Rules. Consolidated African (Uganda) is the owner of the Orom Graphite Project in northern Uganda. The Shares were, accordingly, suspended from trading pending publication of a prospectus in relation to the Acquisition.

Enlarged Group Strategy

On completion of the Acquisition, the objective of the Group will be to expedite the development of the Orom Graphite Project. Initial work will include: (i) in-fill programme to JORC Standard Resource; (ii) metallurgical test work, and various end-products that can be delivered to market; and (iii) commencement of Feasibility Study on initial 10-year mine life, including all mining, plant, infrastructure and logistics.

Major Shareholders

The Directors are aware of the following persons, who, as at the date of this Document and following completion of the Acquisition, Placing of 24,999,996 Shares at a price of £0.06 per Share (the "**Placing**"), and Subscription will have a notifiable, direct or indirect, interest in the Company's capital or Voting Rights of five per cent. (5 per cent.) or more:

Shareholder	*Number of Shares as at the date of this Document*	*Percentage of Current Issued Share Capital*	*Number of Shares on Admission*	*Percentage of Issued Shares on Admission*
Cameron Pearce	6,000,000	18.95	0	6.10
Sam Quinn	4,000,000	12.63	0	4.07
JIM Nominees Limited	3,249,000	10.26	0	3.30
BYN (OCS) Nominees Limited	3,157,166	9.97	333,333	3.54
Michael Ralston & Sharon Ralston as Trustees for the Ralston Family Trust	2,000,000	6.32	0	2.03
Consolidated Africa	0	N/A	25,000,000	25.42
New Energy	0	N/A	8,333,333	8.47
Apul Investments Limited	0	N/A	8,333,333	8.47

On Admission, such Shareholders will not have special Voting Rights in relation to the Shares and the Shares owned by them will rank *pari passu* in all respects with other Shares. Prior to Readmission Consolidated Africa and New Energy hold no Shares.

Directors: Cameron Pearce; Sam Quinn and Alex Passmore are Directors and Mike Ralston and Iain Wearing are key members of management.

Statutory Auditors: The Company's auditors are Crowe U.K. LLP whose address is St. Bride's House, 10 Salisbury Square, London EC4Y 8EH which is regulated by the FCA with registration number 400456.

What is the key financial information regarding the issuer?

Selected historical key financial information

Company

The tables below set out selected key financial information for the Company for the periods indicated as extracted from the Company's website at www.blencoweresourcesplc.com. Prospective investors should review the following selected historical financial information together with the whole of this Document and should not rely on the selected information itself.

Summary statements of financial position of the Company

	Audited As at 30 September 2018	*Audited As at 30 September 2019*
	£	£
Total assets	278,089	398,846
Total equity	241,986	287,122

Summary income statements of the Company

	Audited 13 months ended 30 September 2018	*Audited Year ended 30 September 2019*
	£	£
Revenue	–	–
Operating loss	(163,520)	(243,119)
Net loss	(163,520)	(243,119)
Loss per share (pence)	(1.28)	(0.93)

Summary cash flow statements of the Company

	Audited 13 months ended 30 September 2018 £	*Audited Year ended 30 September 2019 £*
Cash used in operating activities	(121,911)	(396,080)
Cash inflows from financing activities	400,000	259,983
Net cash increase/(decrease)	278,089	(136,097)

Consolidated African (Uganda)

The tables below set out selected key financial information for Consolidated African (Uganda) for the periods indicated as extracted from Consolidated African (Uganda)'s audited financial information for the three years ended 31 December 2018 and the unaudited interim financial information for the six-month period ended 30 June 2019. Prospective investors should review the following selected historical financial information together with the whole of this Document and should not rely on the selected information itself.

Summary statements of financial position of Consolidated African (Uganda)

	Audited As at 31 December 2016 $	*Audited As at 31 December 2017 $*	*Audited As at 31 December 2018 $*	*Unaudited As at 30 June 2019 $*
Total assets	193,206	206,173	213,709	1,698,786
Total equity	69,576	112,953	131,193	126,156

Summary income statements of Consolidated African (Uganda)

	Audited Year ended 31 December 2016 $	*Audited Year ended 31 December 2017 $*	*Audited Year ended 31 December 2018 $*	*Unaudited 6 months ended 30 June 2019 $*	*Unaudited 6 months ended 30 June 2018 $*
Revenue	–	–	–	–	–
Operating loss	(45,352)	(18,548)	(8,815)	(5,037)	(3,877)
Net loss	(45,352)	(18,548)	(8,815)	(5,037)	(3,877)
Loss per share	$(45.35)	$(18.55)	$(8.82)	$(5.04)	$(3.88)

Summary cash flow statements of Consolidated African (Uganda)

	Audited Year ended 31 December 2016 $	*Audited Year ended 31 December 2017 $*	*Audited Year ended 31 December 2018 $*	*Unaudited 6 months ended 30 June 2019 $*	*Unaudited 6 months ended 30 June 2018 $*
Cash used in operating activities	(41,798)	(4,537)	(1,294)	(242)	(141)
Cash used in investing activities	(79,096)	(57,570)	(25,662)	–	(5,000)
Cash from financing activities	118,276	61,925	27,104	–	5,290
Net cash increase/ (decrease)	382	(182)	148	(242)	149

Selected key pro forma financial information

The unaudited pro forma financial information (the "**Pro Forma Financial Information**") has been prepared for illustrative purposes only and because of its nature, the Pro Forma Financial Information addresses a hypothetical situation and, therefore, does not represent the Enlarged Group's actual financial position or results.

The Pro Forma Financial Information has been prepared to illustrate the effects of:

- the assignment of the option to acquire the entire issued share capital of Consolidation African (Uganda) and the Orom Graphite Project, satisfied by the issue of the Option Shares;
- the Acquisition, issue of the Acquisition Shares and the payment of AUS$50,000;
- the issue of the Subscription Shares;
- the issue of the Placing Shares; and
- payment of the Costs,

on the unaudited assets, equity and liabilities of the Company as at 30 September 2019 and on the earnings of the Company for the year then ended.

Summary unaudited pro forma statement of financial position

	Company As at 30 September 2019	*Adjustment Assignment of Option*	*Adjustment Acquisition*	*Adjustment Issue of Subscription Shares*	*Adjustment Placing and Costs*	*Unaudited pro forma balances*
	£	£	£	£	£	£
Total assets	398,846	500,000	2,891,840	500,000	1,278,000	5,568,686
Total equity	287,122	500,000	1,612,842	500,000	1,278,000	4,177,964

Summary unaudited pro forma statement of comprehensive income

	Company results for the year ended 30 September 2019	*Adjustment Assignment of Option*	*Adjustment Acquisition*	*Adjustment Issue of the Subscription Shares*	*Adjustment Placing and Costs*	*Unaudited pro forma results for year ended 30 September 2019*
	£	£	£	£	£	£
Revenue	–	–	–	–	–	–
Operating loss	(243,119)	–	3,065	–	(109,627)	(349,681)
Loss after tax	(243,119)	–	3,065	–	(109,627)	(349,681)

What are the key risks that are specific to the Issuer?

- The Orom Graphite Project is located in Uganda and the Group's activities may be affected in varying degrees by political stability and governmental regulations. Any changes in regulations or shifts in political attitudes in Uganda or any other countries in which the Group may operate are beyond the control of the Group and may adversely affect its operations. There may be unforeseen environmental liabilities resulting from both future and/or historic exploration or mining activities, which may be costly to remedy. In addition, potential environmental liabilities as a result of unfulfilled environmental obligations by the previous owners may impact the Group. If the Group is unable to fully remedy an environmental problem, it may be required to stop or suspend operations or enter into interim compliance measures pending completion of the required remedy. The Group has not purchased insurance for environmental risks (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) as it is not generally available at a price which the Group regards as reasonable.
- The development and success of any project of the Group will be primarily dependent on the future price of graphite. Prices are subject to significant fluctuation and are affected by a number of factors which are beyond the control of the Company such as changes in commodity consumption driven by broader global industrial growth, commissioning of competing projects which can produce similar products of equal or better quality at lower cost or substitution of mineral sand products in end-user materials.
- Mineral exploration and development involves a high degree of risk. A large number of projects that are explored ultimately fail to be developed into producing mines. Success in defining mineral resources and reserves is the result of a number of factors, including the level of geological and technical expertise, the quality of land available for exploration and other factors. Once mineralisation is discovered, it may take several years of drilling and development until production is possible during which time the economic feasibility of production may change.

- The activities of the Group will be subject to usual hazards and risks normally associated with exploring and developing natural resource projects. Should any of these risks and hazards affect the Group's exploration, development or mining activities, it may cause the cost of production to increase to a point where it would no longer be economically viable to produce mineral resources from the Group's properties, require the Company to write-down the carrying value of one or more mineral projects, cause delays or a stoppage of mining and processing, result in the destruction of mineral properties or processing facilities, cause death or personal injury and related legal liability; any and all of which may have a material adverse effect on the Company.
- While the sale of graphite is principally in US Dollars throughout the world, a portion of the Group's expenses incurred in connection with the Orom Graphite Project will be in the local currency of Uganda, the Ugandan shilling. As a result, fluctuations in currency exchange rates could have a material adverse effect on the financial condition, results of operation or cash flow of the Group.

SECTION C – KEY INFORMATION ON THE SECURITIES

What are the main features of the securities?

The securities subject to Readmission are a total of 98,333,326 Shares of 0.5 pence each in the capital of the Company, including the new shares issued pursuant to the Placing at the Placing Price of £0.06 per Share, the Subscription Shares at the Placing Price, the Acquisition Shares and the Option Shares, all of which are fully paid. The Shares are denominated in UK Pounds Sterling and the Placing Price is payable in UK Pounds Sterling. The Shares are registered with ISIN number GB00BFCMVS34.

Each of the Placing Shares, Subscription Shares, Acquisition Shares and Option Shares are issued as ordinary Shares and shall on Admission rank *pari passu* for Voting Rights, dividends and distributions and return of capital on winding up (whether this be a solvent or insolvent winding up) with the Existing Shares. Each Share confers the right to receive notice of and attend all meetings of Shareholders. Each holder of Shares present at a general meeting in person or by proxy or by its authorised corporate representative has one vote, and, on a poll, one vote for every Share of which he is a holder. In the case of joint holders of Shares, if two or more persons hold Shares jointly each of them may be present in person or by proxy at a meeting of members and may speak as a member, if only one of the joint owners is present in person or by proxy he may vote on behalf of all joint owners, and if two or more of the joint owners are present in person or by proxy they must vote as one. No pre-emption rights exist in respect of future share issues carried out by the Company wholly or partly other than for cash. Subject to the Companies Act, on a winding up of the Company the assets of the Company available for distribution shall be distributed, provided there are sufficient assets available, to the holders of Shares *pro rata* to the number of such fully paid up Shares held (by each holder as the case may be) relative to the total number of issued and fully paid up Shares.

Where will the securities be traded?

Application will be made for the Shares to be re-admitted to a Standard Listing on the Official List and to trading on the London Stock Exchange's Main Market for listed securities ("**Admission**" or "**Readmission**"). It is expected that Admission will become effective and that dealings in Shares will commence at 8.00 a.m. on 28 April 2020.

What are the key risks that are specific to the securities?

- The issue of the Placing Shares, Subscription Shares, Acquisition Shares and Option Shares will dilute existing shareholders of the Company.
- Investors may not be able to realise returns on their investment in Shares within a period that they would consider to be reasonable as an investment in Shares may be relatively illiquid due to the limited number of Shareholders which may contribute to infrequent trading and volatile Share price movements. In particular, dividend payments on the Shares are not guaranteed and the Company does not intend to pay dividends in the short term.
- There is currently no market for the Shares, notwithstanding the Company's intention to be admitted to trading on the London Stock Exchange. A market for the Shares may not develop, which would affect adversely the liquidity and price of the Shares.

SECTION D – KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC AND/OR THE ADMISSION TO TRADING ON A REGULATED MARKET

Under which conditions and timetable can I invest in this security?

General Terms and Conditions

The Placing Shares will be distributed pursuant to the Placing arranged by Brandon Hill as agent for the Company and the Placing is conditional on the Acquisition, Subscription and Admission occurring and becoming effective by 8.00 a.m. London time on, or prior to, 28 April 2020 (or such later date as may be agreed by Brandon Hill and the Company) but it any event no later than 29 May 2020 (the "**Long Stop Date**") and the Placing not having been terminated by Brandon Hill in accordance with the terms of the Placing Agreement.

Expected Timetable

Publication of this Document	30 March 2020
Admission and commencement of unconditional dealings in Shares	8.00 a.m. on 28 April 2020
Crediting of Ordinary Shares to CREST Accounts	8.00 a.m. on 28 April 2020
Share Certificates dispatched	Week commencing 11 May 2020

Details of Admission to Trading

Application will be made for the entire issued share capital of the Company, including the Existing Shares, the Placing Shares, Subscription Shares, Acquisition Shares and Option Shares to be admitted to listing as a Standard Listing on the Official List and to trading on the London Stock Exchange's Main Market. The securities subject to Readmission are a total of 98,333,326 Shares comprising; 31,666,664 Existing Ordinary Shares; 24,999,996 Placing Shares; 8,333,333 Subscription Shares, 25,000,000 Acquisition Shares and 8,333,333 Option Shares issued in connection with the Admission.

Immediate Dilution Pursuant to the Placing and Subscription

Pursuant to the Placing and Subscription, 33,333,329 new Shares have been conditionally subscribed for by Places and certain investors at the Placing Price, representing 33.90 per cent. of the Enlarged Share Capital. The Placing and Subscription will result in the existing share capital being diluted so as to constitute 32.20 per cent. of the Enlarged Share Capital.

Total Expenses of the Issue

The total expenses incurred (or to be incurred) by the Company in connection with the Placing, Subscription, Acquisition and Admission are approximately £247,000. No expenses will be charged to the Investors.

Why is this Prospectus being produced?

The objective of the Company is to explore and develop the Orom Graphite Project in line with the strategy set out above. The placing proceeds will enable the Group to advance its strategy and the London listing should make it more attractive to future capital providers.

Net Proceeds

Conditional only on Admission, the Company has raised gross proceeds of £2,000,000 through the Placing and Subscription and the total expenses incurred (or to be incurred) by the Company in connection with the Placing, Subscription, Acquisition and Admission are approximately £247,000 (such that the net proceeds will be approximately £1,753,000 ("**Net Proceeds**")).

It is anticipated by the management of the Company that the Net Proceeds will be used as follows:

Budget Expenditure	£
Drilling (JORC Resource)	500,000
Preliminary Operational Studies	300,000
Tenement costs and compensation	200,000
Corporate expenses and working capital	753,000
Total	1,753,000

The Placing is not underwritten but each Placee has provided a firm commitment to subscribe for the Placing Shares.

The most material conflicts of interest pertaining to the Placing, Subscription and Admission

- There is no material conflict of interest pertaining to the Placing, Subscription or Admission.

RISK FACTORS

AN INVESTMENT IN THE COMPANY IS SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK

Following completion of the Admission, the Company will be focussed on exploration and development of the Orom Graphite Project in the Republic of Uganda.

Prospective investors should note that the risks relating to the Company and the Group, its industry and the Shares summarised in the section of this Document headed "Summary" are the risks that the Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Shares. However, as the risks which the Company faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this Document headed "Summary" but also, among other things, the risks and uncertainties described below.

The exploration for and development of natural resources are speculative activities that involve a high degree of financial risk. Prospective investors should carefully consider all the information in this Document including the risks described below. The risks and uncertainties described below are the material risk factors facing the Company which are currently known to the Directors. These risks and uncertainties are not the only ones facing the Group and additional risks and uncertainties not presently known or currently deemed immaterial may also have a material adverse effect on the Group's business, results of operations or financial condition. If any or a combination of the following risks materialise, the Group's business, financial condition, operational performance and share price could be materially and adversely affected to the detriment of the Company and the Shareholders. Investment in the Company is suitable for persons who can bear the economic risk of a substantial or total loss of their investment. The risks are not presented in any order of priority and no inference ought to be drawn as to the order in which the following risk factors are presented as to their relative importance or potential effect.

RISKS RELATING TO THE OROM GRAPHITE PROJECT

Title risk

While the Group has investigated its title to, and rights and interests in, the Project Licences making up the Orom Graphite Project, and to the best of its knowledge, such title and interests are in good standing, this should not be construed as a guarantee of the same. Title to the Orom Graphite Project may be subject to undetected defects. If a defect does exist it is possible that the Group may lose all or part of its interest in the Orom Graphite Project.

Mineral, metallurgical and geological risks

Only a small portion of the Orom Graphite Project has been explored with no mineral resources estimated to date. Further exploration work is therefore required to establish a mineral resource. The potential quantity and grade of any product is presently conceptual in nature and it is uncertain if further exploration will result in the estimation of a mineral resource. Flotation testwork conducted on graphite obtained from the Orom Graphite Project has confirmed a final concentrate grading 94 per cent. with a TGC recovery of 31.7 per cent.. Whilst it is expected that this recovery can be improved there is not guarantee that it will be. The Group will need to undertake additional metallurgical test work and technical marketing to establish reasonable grounds for a saleable product. If the final concentrate grading is less than anticipated this will reduce the quantum of saleable product and as the Orom Graphite Project is dependent on the production of quality graphite to make the project economic this could have a material impact on the Group's financial position in the future.

Stage of development

The Group will initially focus on the exploration and development of the Orom Graphite Project; however, there can be no assurance that any Project Licence will be brought into production or that the project will ever be profitable. The commercial viability of mineral deposits of the kind located and believed to be located at the Orom Graphite Project area is dependent upon a number of factors, including, but not limited to, the market price of the component heavy minerals, the quality, size, grade and other attributes of the deposits and the proximity to, and availability of, infrastructure necessary to develop, exploit and transport minerals on a commercial scale.

Impact of environmental and social issues affecting the Orom Graphite Project

The Orom Graphite Project is still at an early stage of project development and further consideration will need to be given to environmental and social issues affecting the Orom Graphite Project. Environmental and safety legislation (e.g. in relation to reclamation, disposal of waste products, protection of wildlife and otherwise relating to environmental protection) may change in a manner that may require stricter or additional standards than those now in effect, a heightened degree of responsibility for companies and their directors and employees and more stringent enforcement of existing laws and regulations. There may also be unforeseen environmental liabilities resulting from both future and historic exploration or mining activities, which may be costly to remedy. Potential environmental liabilities as a result of unfulfilled environmental obligations by the previous owners may impact the Group. Risks may include on-site sources of environmental contamination such as oil and fuel from the mining equipment and rehabilitation of the site upon expiry of the Project Licences. Under Ugandan law the Company is required to rehabilitate the area affected by the mining activities, accordingly there will be a potential cost associated with undertaking this obligation. It is currently unknown what this could be but the funding of this could have a material impact on the Group's financial position in the future. If the Group is unable to fully remedy an environmental problem, it may be required to stop or suspend operations or enter into interim compliance measures pending completion of the required remedy. The potential exposure may be significant and could have a material adverse effect on the Group. The Group has not purchased insurance for environmental risks (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) as it is not generally available at a price which the Group regards as reasonable.

COVID-19 Risk

Whilst the Group cannot predict any potential effect of COVID-19 in Uganda or elsewhere, it does not believe that COVID-19 will impact the working capital requirements of the Group. It is possible that if the current limited outbreak of COVID-19 in Uganda increases then this may lead to the disruption of the Group's operations in Uganda. An increase in the number of confirmed COVID-19 cases in Uganda may lead to the Ugandan government imposing travel restrictions and other similar restrictions on economic activities within Uganda. Such restrictions have the potential to delay the completion of the Group's planned work programme until such time as such restrictions are lifted and as such the Group's planned work programme may not be completed within the anticipated timeframe. In the event that the planned work programme is delayed the Group will, once COVID-19 restrictions are lifted by the Ugandan government, have to reschedule the delayed activities. Whilst this rescheduling will not impact the working capital requirements of the Group it may delay the date by which the Group will be able to report the results of the planned work programme, commence any subsequent required work programmes and, if commercial quantities of mineralisation are discovered, the date by which the Group commences development and production.

RISKS RELATING TO MINERAL, COMMODITIES AND EXPLORATION

Graphite prices

The development and success of any project of the Group will be primarily dependent on the future prices of graphite. The graphite prices are subject to significant fluctuation and are affected by a number of factors which are beyond the control of the Company. Such factors include, but are not limited to exchange rates, fluctuations in the value of the United States dollar and foreign currencies, global and regional supply and demand, and political and economic conditions. The price of graphite and other commodities have fluctuated widely in recent years, and future price declines could cause any future development of and commercial production from the Group's property to be impracticable. Although the Group will have sufficient working capital for the Working Capital Period, depending on the price of graphite, projected cash flow from planned mining operations may not be sufficient for future operations and the Group could be forced to discontinue any further development and may lose its interest in, or may be forced to sell, some or all of its properties. Future production from the Orom Graphite Project is dependent on the production of graphite that is adequate to make the project economic.

Exploration and development risks

Mineral exploration and development involve a high degree of risk. Many licences which are explored ultimately fail to be developed into producing mines. Success in defining mineral resources and reserves is the result of a number of factors, including the level of geological and technical expertise, the quality of land available for exploration and other factors. Once mineralisation is discovered, it may take several years of drilling and development until production is possible during which time the economic feasibility of production may change. The economics of developing mineral properties are affected by many factors including the cost of operations, variations in the grade of ore mined, fluctuations in the price of heavy minerals, fluctuations in exchange rates, costs of development, infrastructure and processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. In addition, the grade of mineralisation ultimately mined may differ from that indicated by drilling results and such differences could be material.

The Group will continue to rely upon consultants and others for exploration and development expertise. Substantial expenditures are required to establish resources and reserves through drilling, to develop mineral processes to extract the product from the resource and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major deposit, no assurance can be given that the minerals will be discovered in sufficient quantities and/or quality to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing mineral properties is affected by many factors including the cost of operations, variations in the grade of the resource mined, fluctuations in mineral markets, importing and exporting of minerals and environmental protection. As a result of these uncertainties, there can be no assurance that mineral exploration and development of the Group's properties will result in profitable commercial operations.

Operating risks

The activities of the Group will be subject to usual hazards and risks normally associated with exploring and developing natural resource projects. These risks and uncertainties include, but are not limited to, environmental hazards, industrial accidents, labour disputes, encountering unusual or unexpected geologic formations or other geological or grade problems, unanticipated changes in metallurgical characteristics and mineral recovery, encountering unanticipated ground or water conditions, cave-ins, pit wall failures, flooding, rock bursts, periodic interruptions due to inclement or hazardous weather conditions and other acts of God or unfavourable operating conditions and losses. Should any of these risks and hazards affect the Group's exploration, development or mining activities, it may cause the cost of production to increase to a point where it would no longer be economic to produce mineral resources from the Group's properties, require the Company to write-down the carrying value of one or more mineral projects, cause delays or a stoppage of mining and processing, result in the destruction of mineral properties or processing facilities, cause death or personal injury and related legal liability; any and all of which may have a material adverse effect on the Company. It is not always possible to fully insure against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability, result in increasing costs or the loss of assets and a decline in the value of the Company's securities.

Estimates of Mineral Reserves and Resources

Even though a mineral resource has been discovered at the Orom Graphite Project, estimates in respect of that resource are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally made may change appreciably when further information becomes available. Such resource estimates are by nature imprecise, depending on interpretations which may, with further exploration, prove to be inaccurate. Moreover, should the Group encounter ore bodies or formations which differ from those suggested by past sampling and analysis, resource estimates may have to be adjusted and any production plans altered accordingly which may adversely impact the Group's plans.

Environmental regulation

Environmental and safety legislation (e.g. in relation to reclamation, disposal of waste products, protection of wildlife and otherwise relating to environmental protection) may change in a manner that may require stricter or additional standards than those now in effect, a heightened degree of responsibility for companies and their directors and employees and more stringent enforcement of existing laws and regulations. There may also be unforeseen environmental liabilities resulting from exploration or mining activities, which may be costly to remedy. If the Group is unable to fully remedy an environmental problem, it may be required to stop or suspend operations or enter into interim compliance measures pending completion of the required remedy. The potential exposure may be significant and could have a material adverse effect on the Group. The Group has not purchased insurance for environmental risks (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) as it is not generally available at a price which the Group regards as reasonable.

Financing

The Group is likely to remain cash flow negative for some time and, although the Directors have confidence in the future revenue earning potential of the Group from its interests in the Orom Graphite Project, there can be no certainty that the Group will achieve or sustain profitability or positive cash flow from its operating activities. The Group will utilise the cash generated from the Placing and Subscription during the Working Capital Period for the current work programme at the Orom Graphite Project and for general working capital at both the Company and Orom Graphite Project levels. However, following the completion of the current work programme during the Working Capital Period, the Group will have sufficient working capital for a further six months at the current overhead run rate. However, should the Directors identify working capital difficulties at the end of the Working Capital Period, they will be in a position to reduce the Group's monthly overheads to such an extent that a further twelve months of working capital will be available to the Group. Should the Directors be required to undertake a cost reduction exercise under this scenario, there will be no impact on the ability on the Group to deliver the current work programme at the Orom Graphite Project. This is on the basis that the cost reductions will be made from administrative expenses, primarily Directors' salaries and professional fees. With regards to future capital expenditure on the Orom Graphite Project, the Company may need to raise additional capital beyond the Working Capital Period to fund additional exploration work for the future development of the Orom Graphite Project. The quantum of any future capital raise will be dependent on the agreed work programme, which, at the time of this Document, is unknown.

Future mineral prices, revenues, taxes, capital expenditures and operating expenses and geological success will all be factors which will have an impact on the amount of additional capital required. Additionally, if the Group acquires further exploration assets or is granted additional permits and/or exploration licences, this may increase its financial commitments in respect of the Group's exploration activities.

Any additional equity financing may be dilutive to Shareholders and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as and when needed, it could result in a delay or indefinite postponement of future exploration and development activities at the Group's licence areas.

Commodity and currency risk

As the Company's potential earnings will be largely derived from the sale of graphite, the Company's future revenues and cash flows will be impacted by changes in the prices and available market of this commodity. Any substantial decline in the price of graphite or in transport or distribution costs may have a material adverse effect on the Company.

Commodity prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include current and expected future supply and demand, forward selling by producers, production cost levels in major mineral producing centres as well as macroeconomic conditions such as inflation and interest rates.

Furthermore, the international prices of most commodities are denominated in United States dollars while the Company cost base will be in Pounds Sterling and Ugandan shilling. Consequently, changes in the Pound Sterling and Ugandan Shilling exchange rates will impact on the earnings of the Company. The exchange rates are affected by numerous factors beyond the control of the Company, including international markets, interest rates, inflation and the general economic outlook.

Competition

The mining industry is competitive in all of its phases. The Group faces strong competition from other companies in connection with the acquisition of mineral properties producing, or capable of producing, as well as for the recruitment and retention of qualified employees. Larger companies, in particular, may have access to greater financial resources, operational experience and technical capabilities than the Group which may give them a competitive advantage.

Dependence on key personnel

The Group has a small management team and the loss of a key individual could have an adverse effect on the future of the Group's business. The Group's future success will also depend in large part upon its ability to attract and retain highly skilled personnel. There can be no assurance that the Group will be successful in attracting and retaining such personnel.

Inability to obtain mining licences

Whilst the Group holds the Licences, the Group's future exploration activities will continue to be dependent upon the grant of appropriate licences, concessions, leases, permits and regulatory consents, which may not be granted or may be withdrawn or made subject to limitations. There is no guarantee that, upon completion of any exploration programme, a mining or exploitation licence will be granted with respect to the exploration territory. There can also be no assurance that any mining or exploitation licence will be issued or renewed and if so, on what terms.

Location

The successful development of the Orom Graphite Project depends on adequate infrastructure. The region of Uganda in which the Project Licences are located is sparsely populated and some parts of the properties may require additional infrastructure before the Orom Graphite Project can be fully developed. Reliable roads, bridges, power sources and water supplies are important determinants which affect capital and operating costs and the Group's ability to maintain expected levels of progress with its exploration activities. Unusual weather or other natural phenomena, sabotage or government or other interference in the maintenance or provision of such infrastructure could impact on the development of the Orom Graphite Project, increase exploration costs or delay the transportation of supplies, equipment or machinery to the Group's properties. Any such issues in respect of the infrastructure supporting or at the Orom Graphite Project could materially and adversely affect the Group's business, results of operations, financial condition and prospects.

Transportation infrastructure

Central to the Group's ability to become a commercial mining operation is access to a transportation system through which it can transport future production to a port for onward export by sea. The Orom Graphite Project does not benefit from close proximity to the nearest port, which the Group has determined will be the optimal route for production to be transported from the Orom Graphite Project to global customers, although there is an existing road and railway network. Any proposed transportation system, including port facilities, will require obtaining necessary permits or authorisations. In addition, any delays in (i) obtaining the necessary permits and authorisations, (ii) the construction or commissioning of any new port facilities (if required), or (iii) raising finance to fund the infrastructure development, could prevent altogether or impede the Group's ability to export potential heavy mineral production. Any such issues in respect of a transportation system for the Group's product could materially and adversely affect the Group's business, results of operations, financial condition and prospects

Utilities

The Company's ability to develop the Orom Graphite Project will be reliant on the availability of adequate utilities such as power and water. There can be no guarantee that such utilities will be available at an economically viable level.

RISKS RELATING TO UGANDA

Government regulation and political risk

The Group's operating activities are subject to laws and regulations governing expropriation of property, health and worker safety, employment standards, waste disposal, protection of the environment, mine development, land and water use, prospecting, mineral production, exports, taxes, labour standards, occupational health standards, toxic wastes, the protection of endangered and protected species and other matters. While the Group believes that it is in substantial compliance with all material current laws and regulations affecting its activities, future changes in applicable laws, regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of existing permits and agreements applicable to the Group or its properties, which could have a material adverse impact on the Group's current operations or planned exploration and development projects. Where required, obtaining necessary permits and licences can be a complex, time consuming process and the Group cannot assure whether any necessary permits will be obtainable on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict the Group from proceeding with any future exploration or development of its properties. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in interruption or closure of exploration, development or mining operations or material fines, penalties or other liabilities.

The Orom Graphite Project is located in Uganda. The Group's activities may be affected in varying degrees by political stability and governmental regulations. Any changes in regulations or shifts in political attitudes in these countries or any other countries in which the Group may operate are beyond the control of the Group and may adversely affect its operations.

Terrorism

Uganda has experienced and continues to experience terrorist attacks and occasional civil disorder, although this primarily occurs in the north of the country. On 11 July 2010, Uganda experienced suicide bombings carried out against crowds watching a screening of the 2010 FIFA World Cup Final match at two locations in Kampala, leaving 74 dead and 70 injured. On 5 July 2014, several tribal gunmen armed with machetes and spears attacked in Kasese, Ntoroko and Bundibugyo districts killing civilians, military officers and policemen. It led to loss of 93 people and property worth millions of shillings. There can be no assurance that extremists or terrorist groups will not escalate or continue these violent activities in Uganda, or expand their operations to include more targets, and that domestic order and stability will be successfully secured. The effects of any such terrorist activities and security concerns could disrupt the Group's operations or negatively impact the market for the Group's services and could have a material adverse effect on the Group's business, financial condition, results of operations and prospects as well as investor confidence in investing in Uganda.

Legal systems

The Project Licences are granted under and governed by the laws of Uganda and are granted subject to conditions, including minimum annual expenditure commitments and reporting commitments. Similar conditions may be applied to future mining permits acquired by the Company or its subsidiaries. Failure to comply with these conditions may result in forfeiture of the Project Licences.

Furthermore, the Project Licences (and any additional future mining permits held by the Group) are subject to periodic renewal. Whist there is no reason to believe that such renewals will not be granted, the Company cannot guarantee that this will occur. New conditions may also be imposed on the Orom Graphite Project Licences (and any additional future mining permits held by the Group) under the renewal process which may adversely affect the Company.

Uganda may have a have less developed legal system than more established economies which could result in risks such as (i) effective legal redress in the courts, whether in respect of a breach of law or regulation, or in an ownership dispute, being more difficult to obtain; (ii) a higher degree of discretion on the part of governmental authorities; (iii) the lack of judicial or administrative guidance on interpreting applicable rules and regulations; (iv) inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions; (v) relative inexperience of the judiciary and courts in such matters and (vi) political interference or corruption in the administration of justice. In certain jurisdictions the commitment of local business people, government officials and agencies and the judicial system to abide by legal requirements and negotiated agreements may be more uncertain, creating particular concerns with respect to the Group's research permits and agreements for business. These may be susceptible to revision or cancellation and legal redress may be uncertain or delayed. There can be no assurance that joint ventures, licences, licence applications or other legal arrangements will not be adversely affected by the actions of government authorities or others and the effectiveness of and enforcement of such arrangements in these jurisdictions cannot be assured.

Litigation risks

Legal proceedings may arise from time to time in the course of the Group's business. There have been a number of cases where the rights and privileges of mining and exploration companies have been the subject of litigation. The Directors cannot preclude that litigation over the Group's rights and privileges may not be brought against the Company in the future from time to time or that it may not be subject to any other form of litigation.

Geopolitical and Economic Instability

Yoweri Museveni has been president since his forces toppled the previous regime in January 1986. Political parties in Uganda were restricted in their activities beginning that year, in a measure ostensibly designed to reduce sectarian violence. In the non-party "Movement" system instituted by Museveni, political parties continued to exist, but they could operate only a headquarters office. They could not open branches, hold rallies, or field candidates directly (although electoral candidates could belong to political parties but would contest for elective office as independent candidates). A constitutional referendum cancelled this nineteen-year ban on multi-party politics in July 2005. Uganda has held elections every 5 years since 1996; however the first multiparty election was conducted in 2006. Museveni was declared the winning candidate with 59 per cent. of the votes, amid allegations of rigging and various election irregularities and illegalities. An opposition candidate, Kizza Besigye, challenged Museveni's victory in Supreme Court of Uganda, but his petition was dismissed and the court confirmed Meseveni as the duly elected president of Uganda. Uganda next held elections in 2011. On 20 February 2011, the Uganda Electoral Commission declared the incumbent president Yoweri Kaguta Museveni the winning candidate of the 2011 elections that were held on 18 February 2011. The opposition however, were not satisfied with the results, condemning them as being rigged. According to the official results, Museveni won with 68 per cent. of the votes. This easily topped his nearest challenger, Besigye, who told reporters that he and his supporters "downrightly snub" the outcome as well as the unremitting rule of Museveni or any person he may appoint. Besigye added that the rigged elections would definitely lead to an illegitimate leadership and that it is up to Ugandans to critically analyse this. The European Union's Election Observation Mission reported on improvements and flaws of the Ugandan electoral process stating it was marred by avoidable administrative and logistical failures. Besigye challenged Museveni's victory in Supreme Court again, but his petition was dismissed and Museveni was confirmed the duly elected president of Uganda. The most recent elections were held in 2016 and Museveni won with approximately 61 per cent. of the votes. The opposition again challenged Museveni's victory in the Supreme Court, but the court confirmed Meseveni as the duly elected president of Uganda. While threats to political and economic stability are not considered at this time to be material, there can be no guarantee that this will continue to be the case and any actual or perceived political, civil, religious or economic instability could materially and adversely impact the Group's operations, its financial condition and on the willingness of potential investors to invest in the Company.

RISKS RELATING TO THE ORDINARY SHARES

Dilution of Shareholders' interests

Under the terms of the acquisition of the Orom Graphite Project, the Company is obliged to issue the Acquisition Shares and the Option Shares which will dilute existing Shareholders.

Following completion of the Acquisition, the Company may need to raise additional funds to meet expenditure obligations of the Group in relation to the Project Licences falling due after the Working Capital Period or to fund future acquisition or investments made by the Company. Furthermore, the Company may need to raise additional funds in the future to finance its development of the Orom Graphite Project, as well as future investments and/or acquisitions. If additional funds are raised through the issuance of new equity or equity-linked securities of the Company other than on a *pro rata* basis to existing Shareholders, the percentage ownership of the Shareholders may be reduced, Shareholders may experience subsequent dilution and/or such securities may, subject to Shareholder approval, have preferred rights, options and pre-emption rights senior to the Shares. The Directors intend that the Company should be able to issue new Shares as consideration for possible acquisitions and/or raise additional working capital for the Company as required. Insofar as such new Shares are not offered first to existing Shareholders, then their interests in the Company will be diluted.

The pre-emption rights contained in the Act may be disapplied for Shareholders in certain circumstances and the Company may issue securities or incur substantial debt to raise capital or complete a further acquisition, which may dilute the interests of Shareholders or affect the Company's results of operations (due to increased interest expense) and liquidity.

The Company may in the future issue a substantial number of additional Shares or incur substantial indebtedness to raise capital or complete further acquisitions.

Any issuance of Shares may:

- significantly dilute the value of the Shares held by existing Shareholders;
- cause a Change of Control if a substantial number of Shares are issued, which may, among other things, result in the resignation or removal of one or more of the Directors and result in the Company's then existing Shareholders becoming the minority;
- subordinate the rights of holders of Shares if preferred shares are issued with rights senior to those of Shares; or
- adversely affect the market prices of the Company's Shares.

If Shares are issued as consideration for further acquisitions, the issuance of such Shares could materially dilute the value of the Shares held by existing Shareholders. Where a target company has an existing large shareholder, an issue of Shares as consideration may result in such shareholder subsequently holding a significant or majority stake in the Company, which may, in turn, enable it to exert significant influence over the Company (to a greater or lesser extent depending on the size of its holding) and could lead to a Change of Control.

The occurrence of any or a combination of these factors could decrease an investor's ownership interests in the Company or have a material adverse effect on the Company's business, financial condition, results of operations and/or prospects.

Shareholders will not have the opportunity to vote to approve any further acquisition

Unless such approval is required by law or other regulatory process, Shareholders will not have the opportunity to vote on any further acquisition even if Shares are being issued as consideration for such acquisition. Chapter 10 of the Listing Rules relating to significant transactions will not apply to the Company while the Company has a Standard Listing. The Company does not expect that Shareholder approval will be required in connection with an acquisition while the Company has a Standard Listing, and therefore, investors will be relying on the Company's and the Board's ability to identify potential targets, evaluate their merits, conduct or monitor due diligence, conduct negotiations and effect such acquisition.

The proposed Standard Listing of the Shares will afford investors a lower level of regulatory protection than a Premium Listing

Following the suspension of the listing of the Shares and completion of the reverse takeover, application will be made for the Shares to be readmitted to a Standard Listing on the Official List. A Standard Listing will afford investors in the Company a lower level of regulatory protection than that afforded to investors in a company with a Premium Listing, which is subject to additional obligations under the Listing Rules. However, the Company undertaken to comply with Listing Rule 7 on a voluntary basis.

A Standard Listing will not permit the Company to gain a FTSE indexation, which may have an adverse effect on the valuation of the Shares.

Further details regarding the difference in the protections afforded by a Premium Listing as against a Standard Listing are set out in the section entitled "Consequences of a Standard Listing" on page 21.

Dividend payments on the Shares are not guaranteed

To the extent the Company intends to pay dividends on the Shares, it will pay such dividends at such times (if any) and in such amounts (if any) as the Board determines appropriate and in accordance with applicable law, but expects to be principally reliant upon dividends received on shares held by it in any operating subsidiaries in order to do so. Payments of such dividends will be dependent on the availability of any dividends or other distributions from such subsidiaries. The Company can therefore give no assurance that it will be able to pay dividends going forward or as to the amount of such dividends, if any.

There is currently no market in the Shares, notwithstanding that the Company is admitted to trading on the London Stock Exchange. An active market for the Shares may not develop, which would adversely affect the liquidity and price of the Shares

As at the date of this Document, there is no market for the Shares. The price of the Shares can also vary due to a number of factors, including but not limited to, prevailing economic conditions and forecasts, the Company's general business condition and the release of its financial reports. Although the Company's current intention is that its securities should continue to trade on the London Stock Exchange, there is no assurance that it will always do so. In addition, an active trading market for the Shares may not develop or, if developed, may not be maintained. Investors may be unable to sell their Shares unless a market can be established and maintained, and if the Company subsequently obtains a listing on an exchange in addition to, or in lieu of, the London Stock Exchange, the level of liquidity of the Shares may decline.

Investors may not be able to realise returns on their investment in Shares within a period that they would consider to be reasonable

Investments in Shares may be relatively illiquid. There may be a limited number of Shareholders and this factor may contribute both to infrequent trading in the Shares on the London Stock Exchange and to volatile Share price movements. Investors should not expect that they will necessarily be able to realise their investment in Shares within a period that they would regard as reasonable. Accordingly, the Shares may not be suitable for short-term investment. Admission should not be taken as implying that there will be an active trading market for the Shares. Even if an active trading market develops, the market price for the Shares may fall below the issue price.

The Company may be unable to transfer to a Premium Listing or other appropriate listing venue

The Company is not currently eligible for a Premium Listing under Chapter 6 of the Listing Rules. At some point in the future, the Directors may seek to transfer from a Standard Listing to either a Premium Listing or other appropriate listing venue, based on the track record of the company or business it may acquire, subject to fulfilling the relevant eligibility criteria at the time. There can be no guarantee that the Company will meet such eligibility criteria or that a transfer to a Premium Listing or other appropriate listing venue will be achieved. For example, such eligibility criteria may not be met, due to the circumstances and internal control systems of the acquired business or if the Company acquires less than a controlling interest in the target. In addition, there may be a delay, which could be significant, between the completion of the Admission and the date upon which the Company is able to seek or achieve a Premium Listing or a listing on another stock exchange.

If the Company does not achieve a Premium Listing or the Directors decide to maintain the Standard Listing, the Company will not be obliged to comply with the higher standards of corporate governance or other requirements which it would be subject to upon achieving a Premium Listing and, for as long as the Company continues to have a Standard Listing, it will be required to continue to comply with the lesser standards applicable to a company with a Standard Listing. This would include a period of time after the Admission where the Company could be operating a substantial business but would not need to comply with such higher standards. In addition, an inability to achieve a Premium Listing will prohibit the Company from gaining FTSE indexation and may have an adverse effect on the valuation of the Shares.

Shareholders may be diluted if Warrants are exercised

In the event that any of the Warrants are exercised and the share price per Share is higher than the subscription price for the Warrants, the interests of the Shareholders will be diluted. Assuming no change to the Enlarged Share Capital, the maximum total dilution which would result from the exercise of all Warrants is 32.92 per cent.

RISKS RELATING TO TAXATION

Taxation of returns from assets located outside of the UK may reduce any net return to Shareholders

To the extent that the assets, company or business which the Company acquires is or are established outside the UK, it is possible that any return the Company receives from it may be reduced by irrecoverable foreign withholding or other local taxes and this may reduce any net return derived by Shareholders from an investment in the Company.

Changes in tax law may reduce any net returns for Shareholders

The tax treatment of Shareholders of Shares issued by the Company, any special purpose vehicle that the Company may establish and any company which the Company may acquire are all subject to changes in tax laws or practices in the UK or any other relevant jurisdiction. Any change may reduce any net return derived by Shareholders from an investment in the Company.

There can be no assurance that the Company will be able to make returns for Shareholders in a tax-efficient manner. It is intended that the Company will act as the holding company to a trading group including any company or assets acquired in any acquisition, to maximise returns for Shareholders in as fiscally efficient a manner as is practicable. The Company has made certain assumptions regarding taxation. However, if these assumptions are not borne out in practice, taxes may be imposed with respect to any of the Company's assets, or the Company may be subject to tax on its income, profits, gains or distributions in a particular jurisdiction or jurisdictions in excess of taxes that were anticipated. This could alter the post-tax returns for Shareholders (or Shareholders in certain jurisdictions). The level of return for Shareholders may also be adversely affected. Any change in laws or tax authority practices could also adversely affect any post-tax returns of capital to Shareholders or payments of dividends (if any, which the Company does not envisage the payment of, at least in the short to medium-term). In addition, the Company may incur costs in taking steps to mitigate any such adverse effect on the post-tax returns for Shareholders.

GENERAL INVESTOR RISKS

A prospective investor should consider with care whether an investment in the Company is suitable for them in light of their personal circumstances and the financial resources available to them. An investment in the Company is only suitable for investors capable of evaluating the risks and merits of such investment and who have sufficient resources to bear any loss which may result from the investment. Prospective investors should therefore consult an independent financial adviser authorised under the FSMA before investing if based in the United Kingdom or, if not, another appropriately authorised independent adviser who specialises in advising on the acquisition of shares and other securities. Investment in the Company should not be regarded as short-term in nature. There can be no guarantee that any appreciation in the value of the Company's assets or investments will occur or that the investment objectives of the Company will be achieved. Investors may not get back the full amount initially invested. The price of shares and the income derived from them can go down as well as up. Past performance is not necessarily a guide to the future. There is also the possibility that the market value of an investment in the Company may not reflect the true underlying value of the Company.

Changes in economic conditions including, for example, interest rates, rates of inflation, industry conditions, competition, political and diplomatic events and trends, tax laws and other factors can substantially and adversely affect investments and the prospects of the Company and the Group. Further, changes in the general economic climate in which the Group operates, including in particular in the mining and resource sector, may adversely affect the financial performance of the Group. Factors which may contribute to that general economic climate include, growth of countries where investments have been or may be undertaken or where the Group's commodities are sold, the level of government intervention in their respective economies (e.g. interest rates) and the perceived political and economic stability of the countries in which the Group operates.

Notwithstanding the fact that the Company intends to make an application for the Enlarged Issued Share Capital to be admitted to trading on the Standard Segment of the Main Market of the London Stock Exchange, this should not be taken as implying that there will be a "liquid" market in the Shares. An active liquid market for the Shares may not develop and the market price of the Shares may be lower than the Placing Price and may be highly volatile. The market for shares in smaller public companies is less liquid than for larger public companies. The Company cannot predict the effects on the price of the Shares if a liquid and active market for the Shares does not develop. In addition, if such a market does not develop, relatively small sales may have a significant negative impact on the price of the Shares and sales of a significant number of Shares may be difficult to execute at a stable price. Shareholders accordingly may not be able to realise their investment at or above the Placing Price.

Stock markets in general may experience extreme price fluctuations. Fluctuations in the price of the Shares may not be correlated in a predictable way to the Company's performance or operating results. Sales of substantial amounts of Shares following Admission, or the perception that these sales could occur, could materially adversely affect the market price of the Shares available for sale compared to the demand to buy Shares. Such sales may also make it more difficult for the Company to sell equity securities in the future at a time and price that is deemed appropriate.

The following factors (among others), some of which are beyond the control of the Company, could cause the price of the Shares in the public market to fluctuate significantly from the Placing Price:

(a) changes in laws or regulations, including mining legislation, tax laws, or new interpretations or applications of laws and regulations, that are applicable to the Group's business;

(b) departure of key employees or Directors;

(c) changes in the Group's financial performance and prospects and changes in the financial performance and prospects of companies engaged in businesses that are similar to the Group's business;

(d) sales of Shares by Shareholders;

(e) general economic trends and other external factors, including those resulting from war, incidents of terrorism, civil unrest, natural disasters or responses to such events;

(f) speculation in the press or investment community regarding the Group's business, or factors or events that may directly or indirectly affect its business or investments; and

(g) further issuances of Shares.

Securities markets in general have at times experienced extreme volatility that has been unrelated to the operating performance of particular companies or partnerships. Any broad market fluctuations may adversely affect the trading price of the Shares.

Market perception

Market perception of mining and exploration companies may change which could impact on the value of investors' holdings and impact on the ability of the Company to raise further funds by issue of further shares in the Company.

The risks noted above do not necessarily comprise all those faced by the Group and are not intended to be presented in any assumed order of priority. There may be special risks if an investor holds Shares in certain jurisdictions. At this time, the Company does not intend to make accommodations regarding its financial information to assist any holders with their tax obligations.

An investment in Shares is speculative and may not be suitable for all recipients of this Document. Potential UK investors are accordingly advised to consult a person authorised under the FSMA who specialises in advising in investments of this kind before making any investment decisions. Non-UK investors are advised to consult another appropriately authorised independent adviser who specialises in advising on the acquisition of shares and other securities. A prospective investor should consider carefully whether an investment in the Company is suitable in the light of their personal circumstances and the financial resources available to them.

CONSEQUENCES OF A STANDARD LISTING

On completion of the Acquisition as a reverse takeover, an application will be made for the admission of the Share Capital to the Official List by means of a Standard Listing and to trading on the Main Market of the London Stock Exchange pursuant to Chapter 14 of the Listing Rules which sets out the requirements for Standard Listings. The Company will comply with the Listing Principles set out in Chapter 7 of the Listing Rules at Listing Rule 7.2.1 which apply to all companies with their securities admitted to the Official List. In addition, the Company will also comply with the Listing Principles at Listing Rule 7.2.1A notwithstanding that they only apply to companies which obtain a Premium Listing on the Official List. With regard to the Listing Principles at 7.2.1A, the Company is not, however, formally subject to such Listing Principles and will not be required to comply with them by the UK Listing Authority.

In addition, while the Company has a Standard Listing, it is not required to comply with the provisions of, among other things:

- Chapter 8 of the Listing Rules regarding the appointment of a sponsor to guide the Company in understanding and meetings its responsibilities under the Listing Rules in connection with certain matters. The Company has not and does not intend to appoint such a sponsor on Re- Admission;
- Chapter 10 of the Listing Rules relating to significant transactions;
- Chapter 11 of the Listing Rules regarding related party transactions. Nevertheless, the Company will not enter into any transaction which would constitute a “related party transaction” as defined in Chapter 11 of the Listing Rules without the specific prior approval of a majority of the Directors;
- Chapter 12 of the Listing Rules regarding purchases by the Company of its Shares. In particular, the Company has not adopted a policy consistent with the provisions of Listing Rules 12.4.1 and 12.4.2. The Company will have no authority to purchase its own Shares; and
- Chapter 13 of the Listing Rules regarding the form and content of circulars to be sent to Shareholders.

The Company is not currently eligible for a Premium Listing under Chapter 6 of the Listing Rules and does not currently intend to seek to transfer to either a Premium Listing or other listing venue. Should the Company determine to seek a transfer to a Premium Listing there is no guarantee that it would able to fulfil the relevant eligibility criteria.

It should be noted that the UK Listing Authority will not have the authority to (and will not) monitor the Company’s compliance with any of the Listing Rules which the Company has indicated herein that it intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Company so to comply. However, the FCA would be able to impose sanctions for non-compliance where the statements regarding compliance in this Document are themselves misleading, false or deceptive.

IMPORTANT INFORMATION

In deciding whether or not to invest in Shares prospective investors should rely only on the information contained in this Document. No person has been authorised to give any information or make any representations other than as contained in this Document and, if given or made, such information or representations must not be relied on as having been authorised by the Company or the Directors. Without prejudice to the Company's obligations under the FSMA, Prospectus Rules, Listing Rules and Disclosure and Transparency Rules, neither the delivery of this Document nor any subscription made under this Document shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Document or that the information contained herein is correct as at any time after its date.

Prospective investors must not treat the contents of this Document or any subsequent communications from the Company, the Directors, or any of their respective affiliates, officers, directors, employees or agents as advice relating to legal, taxation, accounting, regulatory, investment or any other matters.

The section headed "Summary" should be read as an introduction to this Document. Any decision to invest in the Shares should be based on consideration of this Document as a whole by the investor. In particular, investors must read the section headed Section D (Risks) of the Summary together with the risks set out in the section headed "Risk Factors" beginning on page 10 of this Document.

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Brandon Hill and any affiliate thereof acting as an Investor for its or their own account(s) may subscribe for, retain, purchase or sell Shares for its or their own account(s) and may offer or sell such securities otherwise than in connection with the Placing. Brandon Hill does not intend to disclose the extent of any such investments or transactions otherwise than in accordance with any applicable legal or regulatory requirements.

This Document is being furnished by the Company in connection with an offering exempt from registration under the Securities Act solely to enable prospective investors to consider the purchase of the Shares. Any reproduction or distribution of this Document, in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the Shares hereby is prohibited.

This Document does not constitute, and may not be used for the purposes of, an offer to sell or an invitation or the solicitation of an offer or invitation to subscribe for or buy, any Shares by any person in any jurisdiction: (i) in which such offer or invitation is not authorised; (ii) in which the person making such offer or invitation is not qualified to do so; or (iii) in which, or to any person to whom, it is unlawful to make such offer, solicitation or invitation. The distribution of this Document and the offering of Shares in certain jurisdictions may be restricted. Accordingly, persons outside the United Kingdom who obtain possession of this Document are required by the Company and the Directors to inform themselves about, and to observe any restrictions as to the offer or sale of Shares and the distribution of, this Document under the laws and regulations of any territory in connection with any applications for Shares including obtaining any requisite governmental or other consent and observing any other formality prescribed in such territory. No action has been taken or will be taken in any jurisdiction by the Company or the Directors that would permit a public offering of the Shares in any jurisdiction where action for that purpose is required nor has any such action been taken with respect to the possession or distribution of this Document other than in any jurisdiction where action for that purpose is required. Neither the Company nor the Directors accept any responsibility for any violation of any of these restrictions by any person.

This admission document is not a 'prospectus', 'product disclosure statement' or other 'disclosure document' for the purposes of the Australian Corporations Act and is not required to be lodged with ASIC or the ASX. Accordingly, a person may not (directly or indirectly) offer for subscription or purchase or issue invitations to subscribe for or buy or sell the Shares, or distribute this admission document where such offer, issue or distribution is received by a person in the Commonwealth of Australia, its territories or possessions, except if:

(a) the amount payable by the transferee in relation to the Shares is A$500,000 or more or if the offer or invitation to the transferee is otherwise an offer or invitation that does not require disclosure to investors in accordance with part 6D.2 or part 7.9 of the Corporations Act; or

(b) the offer or invitation does not constitute an offer to a 'retail client' under Chapter 7 of the Australian Corporations Act. The Shares have not been and will not be registered under the Securities Act, or under any relevant securities laws of any state or other jurisdiction in the United States, or under the applicable securities laws of South Africa, the Republic of Ireland, Canada or Japan. Subject to certain exceptions, the Shares may not be, offered, sold, resold, reoffered, pledged, transferred, distributed or delivered, directly or indirectly, within, into or in the United States, South Africa, the Republic of Ireland, Canada or Japan or to any national, resident or citizen of South Africa, the Republic of Ireland, Canada or Japan.

The Shares have not been approved or disapproved by the United States Securities and Exchange Commission, any federal or state securities commission in the United States or any other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Shares or confirmed the accuracy or determined the adequacy of the information contained in this Document. Any representation to the contrary is a criminal offence in the United States.

Investors may be required to bear the financial risk of an investment in the Shares for an indefinite period. Prospective investors are also notified that the Company may be classified as a passive foreign investment company for United States federal income tax purposes. If the Company is so classified, the Company may, but is not obliged to, provide to U.S. holders of Shares the information that would be necessary in order for such persons to make a qualified electing fund election with respect to the Shares for any year in which the Company is a passive foreign investment company.

Data protection

The Company may delegate certain administrative functions to third parties and will require such third parties to comply with data protection and regulatory requirements of any jurisdiction in which data processing occurs. Such information will be held and processed by the Company (or any third party, functionary or agent appointed by the Company) for the following purposes:

- verifying the identity of the prospective investor to comply with statutory and regulatory requirements in relation to anti-money laundering procedures;
- carrying out the business of the Company and the administering of interests In the Company;
- meeting the legal, regulatory, reporting and/or financial obligations of the Company in the United Kingdom or elsewhere; and
- disclosing personal data to other functionaries of, or advisers to, the Company to operate and/or administer the Company.

Where appropriate it may be necessary for the Company (or any third party, functionary or agent appointed by the Company) to:

- disclose personal data to third party service providers, agents or functionaries appointed by the Company to provide services to prospective investors; and
- transfer personal data outside of the EEA to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective investors as the United Kingdom.

If the Company (or any third party, functionary or agent appointed by the Company) discloses personal data to such a third party, agent or functionary and/or makes such a transfer of personal data it will use reasonable endeavours to ensure that any third party, agent or functionary to whom the relevant personal data is disclosed or transferred is contractually bound to provide an adequate level of protection in respect of such personal data.

In providing such personal data, investors will be deemed to have agreed to the processing of such personal data in the manner described above. Prospective investors are responsible for informing any third party individual to whom the personal data relates of the disclosure and use of such data in accordance with these provisions

Investment considerations

In making an investment decision, prospective investors must rely on their own examination, analysis and enquiry of the Company, this Document and the terms of the Admission, including the merits and risks involved. The contents of this Document are not to be construed as advice relating to legal, financial, taxation, investment decisions or any other matter. Investors should inform themselves as to:

- the legal requirements within their own countries for the purchase, holding, transfer or other disposal of the Shares;
- any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of the Shares which they might encounter; and
- the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of the Shares or distributions by the Company, either on a liquidation and distribution or otherwise. Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, Investment or any other *related* matters concerning the Company and an investment therein.

An investment in the Company should be regarded as a long-term investment. There can be no assurance that the Company's objective will be achieved.

It should be remembered that the price of the Shares and any income from such Shares, can go down as well as up.

This Document should be read in its entirety before making any investment in the Shares. All Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of, the provisions of the Memorandum of Incorporation of the Company and the Articles, which investors should review.

Forward-looking statements

This Document includes statements that are, or may be deemed to be, "forward-looking statements", including those contained in Part I of this Document. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms "targets", "believes", "estimates", "anticipates", "expects", "intends", "may", "will", "should", "could" or, in each case, their negative or other variations or comparable terminology. They appear in a number of places throughout the Document and include statements regarding the intentions, beliefs or current expectations of the Company and the Board concerning, among other things: (i) the Company's objective, acquisition and financing strategies, results of operations, financial condition, capital resources, prospects, capital appreciation of the Shares and dividends; and (ii) future deal flow and implementation of active management strategies, including with regard to the Group or any further acquisition. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward- looking statements are not guarantees of future performances. The Company's actual performance, results of operations, financial condition, distributions to Shareholders and the development of its financing strategies may differ materially from the forward-looking statements contained in this Document. In addition, even if the Company's actual performance, results of operations, financial condition, distributions to Shareholders and the development of its financing strategies are consistent with the forward-looking statements contained in this Document, those results or developments may not be indicative of results or developments in subsequent periods.

Prospective investors should carefully review the "Risk Factors" section of this Document for a discussion of additional factors that could cause the Company's actual results to differ materially, before making an investment decision. For the avoidance of doubt, nothing in this paragraph constitutes a qualification of the working capital statement contained in paragraph 9 of Part XI of this Document.

There can be no assurance that the results and events contemplated by the forward-looking statements contained in this Document will, in fact, occur. These forward-looking statements are correct only as at the date of this Document. The Company will not undertake any obligation to release publicly any revisions to these forward looking statements to reflect events, circumstances or unanticipated events occurring after the date of this Document except as required by law or by regulatory authority, including the Listing Rules, Prospectus Rules, DTR and Market Abuse Regulations.

Third party data

Where information contained in this Document has been sourced from a third party, the Company and the Directors confirm that such information has been accurately reproduced and, so far as they are aware and have been able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Where third party information has been used in this Document, the source of such information has been identified. The Company takes responsibility for compiling and extracting, but has not independently verified, market data provided by third parties.

Currency presentation

Unless otherwise indicated, all references in this Document to "£", "Pound Sterling" or "Pounds" are to the lawful currency of the U.K., and to "$" or "US Dollars" are to the lawful currency of the United States.

International Financial Reporting Standards

As required by the Act and Article 4 of the European Union IAS Regulation, the financial statements of the Company are prepared in accordance with IFRS issued by International Accounting Standards Board ("**IASB**") and interpretations issued by the International Financial Reporting Committee of the IASB as adopted by the European Union.

No incorporation of website

The contents of any website of the Company or any other person do not form part of this Document.

Definitions

A list of defined terms used in this Document is set out in "Definitions" beginning at page 240.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this Document	30 March 2020
Admission and commencement of dealings in the Enlarged Share Capital	8.00 a.m. on 28 April 2020
Crediting of new Shares to CREST Accounts	8.00 a.m. on 28 April 2020
Share certificates for new Shares dispatched	week commencing 11 May 2020

All references to time in this Document are to London time unless otherwise stated

STATISTICS

Total number of Shares in issue as at the date of this Document	31,666,664
Total number of Placing Shares to be issued on Admission	24,999,996
Total number of Subscription Shares to be issued on Admission	8,333,333
Total number of Acquisition Shares and Option Shares	33,333,333
Gross Proceeds of the Placing and Subscription	2,000,000
The Enlarged Share Capital in issue on Admission	98,333,326
Number of Shares to be issued on Admission pursuant to the Placing, Subscription and Acquisition as a percentage of the Enlarged Share Capital	67.80 per cent.
Number of Warrants to be in issue on Admission	32,375,001
Estimated costs in relation to the Placing, Subscription, Acquisition and Admission	£247,000
Placing Price for the Placing and Subscription	6 pence
Market capitalisation of the Company at the Placing Price	£5,900,000

DEALING CODES

ISIN	GB00BFCMVS34
SEDOL	BFCMVS3
LEI	213800UXIHBIRK36GG11
TIDM	BRES

DIRECTORS, SECRETARY AND ADVISERS

Directors on Admission	Cameron William Leslie Pearce (*Executive Chairman*) Sam Delevan Quinn (*Non-Executive Director*) Alexander ("Alex") Ross Passmore (*Non-Executive Director*)
Manager with responsibility for Finance	Cameron Pearce
Registered Office and principal place of business	Walton House 25 Bilton Road Rugby Warwickshire CV22 7AG
Company website	www.blencoweresourcesplc.com
Company Secretary, Administration and Financial Functions	FIM Capital Limited 55 Athol Street Douglas Isle of Man IM1 1LA
Auditors and Reporting Accountants	Crowe U.K. LLP 10 St, Bride's House 10 Salisbury Square London EC4Y 8EH
Broker	Brandon Hill Capital Limited 1 Tudor Street London EC4Y 0AH
Competent Person	SRK Consulting (South Africa) (Pty) Ltd. 265 Oxford Road Illovo 2196 Johannesburg South Africa
Company's Solicitors as to English law	Mildwaters Consulting LLP Walton House 25 Bilton Road Rugby Warwickshire CV22 7AG
Registrar	Share Registrars Limited 27/28 Eastcastle Street London W1W 8DH
Principal bankers	Barclays Banks Plc PO Box 9 Barclays House, Victoria Street Douglas Isle of Man IM99 1AJ

PART I

INFORMATION ON THE ACQUISITION AND THE ENLARGED GROUP

1 INTRODUCTION

1.1 The Company was incorporated with limited liability under the laws of England and Wales under the Companies Act on 18 September 2017 with number 10966847 under the name Cora Gold Limited. The Company changed its name to Blencowe Resources Limited on 26 September 2017. On 13 July 2018 the Company was re-registered as a public limited company to become Blencowe Resources plc. The principal legislation under which the Company was created and operates is the Companies Act 2006 and the regulations made thereunder. The Company's registered office is located at Walton House, 25 Bilton Road, Rugby, Warwickshire CV22 7AG, UK. The Company's financial year ends on 30 September.

2 ACQUISITION OF CONSOLIDATED AFRICAN (UGANDA)

2.1 The Company entered into a share purchase agreement with Consolidated Africa and New Energy to acquire 100 per cent. of Consolidated African (Uganda), the holder of the Orom Graphite Project dated 28th October 2019 as amended (the "**Acquisition Agreement**"). The Acquisition is, *inter alia*, conditional on the Placing and Admission. The consideration for the Acquisition is the payment of AUS$50,000 in cash, whether or not completion occurs, the issue of the Acquisition Shares to Consolidated Africa and the issue of the Option Shares to New Energy at completion. Further details of the Acquisition Agreement is set out in paragraph 20.14 of Part XI.

2.2 The Acquisition is in line with the Company's strategy of identifying an acquisition target in the natural resources sector. The Acquisition, if completed, will constitute a Reverse Takeover under the Listing Rules because of the size of Consolidated African (Uganda) in relation to that of the Company and the fact that it will give rise to a fundamental change to the business and voting control of the Company resulting in the Company becoming an operating company. The Company indicated in its original Prospectus issued in April 2019, that it would seek Shareholder approval for a Reverse Takeover. Accordingly, an Annual General Meeting of the Company is being convened at which resolutions will be proposed, *inter alia*, to approve the Acquisition, the issue and allotment of the Acquisition Shares and the Option Shares. The Resolutions are set out in full in the notice of Annual General Meeting at the end of this Document and are summarised in paragraph 8 of Part II.

3 REASONS FOR THE ACQUISITION

3.1 The Directors of the Company have been seeking to identify acquisition opportunities within the resources sector to acquire a natural resource asset in a stable jurisdiction that has the potential to transform the Company into a significant international mining and exploration group focused on investing in and acquiring and developing resource projects. The Directors are focused on acquiring interests that are strategically located and are well positioned potentially to contain mineralisation and benefit from the transport and power infrastructure being developed for surrounding projects. Consolidated African (Uganda) has a substantial ground position in, and extensive technical information on the Orom Graphite Project, and has recently been awarded a mining licence granted over the project area. Both the recent and historic drilling results inform the view of Consolidated African (Uganda), shared by the Company, that the Orom Graphite Project could emerge as a top tier global graphite mine with potential to return substantial gains for new and existing Shareholders.

3.2 The Directors believe that these are the key features that make this is an attractive project:

3.2.1 our management team have an existing track record developing and advancing mining projects;

3.2.2 taking into account the value of the Acquisition Shares, the Option Shares and the potential exploration and development opportunities offered by the Orom Graphite Project, the Acquisition has the potential to generate significant value for shareholders;

3.2.3 the Acquisition is in line with the Company's stated investing policy;

3.2.4 the Orom Graphite Project has the potential for a large mineral resource estimate under the JORC 2012 Code;

3.2.5 there is potential to increase the size of this resource with ongoing exploration work;

3.2.6 the Orom Graphite Project has been under-developed due to a lack of investment and with investment based upon the current resource estimates (as contained in the CPR) and a favourable scoping study in due course, the Directors believe that there is potential for a mine life greater than 20 years;

3.2.7 the Orom Graphite Project benefits from the shallow nature of the ore body (relative to existing graphite producers) and its strategic location (relative to existing infrastructure and markets); and

3.2.8 the Orom Graphite Project has been awarded mining licences by the Ugandan government.

4 FUTURE STRATEGY

4.1 The Company has outlined a work program, initial work for which will include:

4.1.1 an in-fill programme to JORC 2012 Code Standard Resource;

4.1.2 metallurgical test work to demonstrate various end products that can be delivered to market; and

4.1.3 commencement of Feasibility Study on initial 10-year mine life, including all mining, plant, infrastructure and logistics.

4.2 The principal aims of the above work programme are to gain further geological information to understand the potential, verify the graphite grade and continuity, and further understand the mineralogy within the most prospective parts of the Orom Graphite Project. Metallurgical testing is planned to be further undertaken in 2020 as is an initial mineral resource estimate under the JORC 2012 Code.

5 DESCRIPTION OF THE OROM GRAPHITE PROJECT

5.1 Introduction

The Orom Graphite Project lies within the Orom District, of northern Uganda. The Project tenements encompass an area of approximately 520 000 hectares stretching from Latitude 3°18’40’ to 3°30’40’ N and from Longitude 33°31’50’ to 33°45’40’ E. Access to site is approximately 28km via the Kidepo-Gulu road from Orom consisting of unsealed gravel roads.

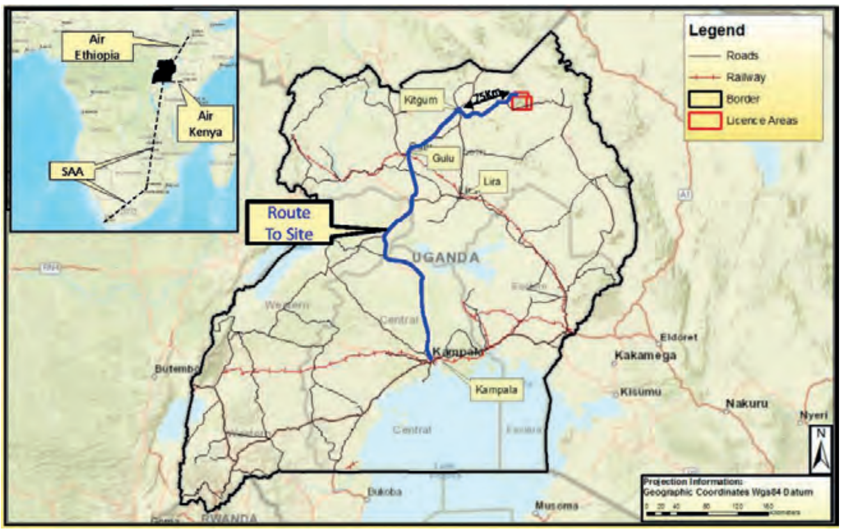
Work to date has outlined graphite mineralisation at the Project associated with deformed Neoproterozoic graphitic gneisses and schists. The Project’s Exploration Target is centred at Latitude 3º 23’ 30’ N and Longitude 33º 37‘00’ E within Mining Lease (ML1959) and a previous Exploration Licence which is now under application for a Retention Licence (RL1025).

Since acquiring the Orom Graphite Project in 2012, Consolidated Africa has undertaken the following exploration activities:

- field mapping;
- geophysical surveys (VTEM and Aeromagnetic);
- geological logging and geochemical analyses of drill core samples;
- geological logging and geochemical analyses of trench samples;
- metallurgical testwork of composites; and
- determination of Exploration Target ranges.

The Company intends to build on this initial work as described in section 4 of this Part I, above.

The Project is located approximately 6 km east (in a straight line) of the town of Orom and 75 km northeast of the town of Kitgum in northern Uganda. The Project can be accessed from the southwest via 104km of road from Gulu to Kitgum (Orom-Koputh road) and thereafter by 87km of gravel roads. The nearest large settlement to the Project is the village of Orom, located in Chua East Country.



Source: Consolidated Africa

5.2 **Project Resource**

The project area is mainly covered by rocks from two members of the West-Karamoja Group: the Kalapata which consists of mafic granulite and the Napararo which consists of banded granulite and charnockite (and a member of the Ogili Suite). To the south of the project area, the rocks are blanketed by Quaternary cover.

The major stratigraphic units in the project area include the following (from youngest to oldest):

- Quaternary Sediments;
- Neoproterozoic West Karamoja Group;
- Neoproterozoic Ogili Suite Granite and charnockite; and the
- Neoarchaen Amuru Group.

These rocks have a regional north-northwest trend. As well as a northwest-southeast thrust, dipping westward, in the northeast, the regional 1:100,000 ROM Sheet 17 indicates sinistral shearing also occurred along the structure. This is in harmony with a horizontal north-northeast directed maximum horizontal compression.

The geological mapping work done by Minrom in the Orom project area revealed that metamorphic rocks of the West Karamoja Group and the Okaka Suite outcrop on surface and underlie the project. The graphite mineralisation is hosted within granulite or retro granulite facies rocks of the West Karamoja Group (Brock, et al., YEAR) and 6 main areas were identified and delineated by Minrom. The three major lithologies that occur within the Orom project area are:

- basic pyroxene granulite and pyroxene gneiss;
- felsic graphic granulite; and
- banded granulite and charnockite.

5.3 **Project Licences**

The licences are held through Consolidated African (Uganda).

Consolidated African (Uganda), upon application and fulfilment of the terms and conditions prescribed in the Mining Act, was granted Exploration Licences for a duration of 3 years for graphite, gold, zinc and mica. An application made by Consolidated African (Uganda) to renew EL 1025 was granted and renewed for a period of 2 years effective 8th August 2017. The Exploration Licence was renewed with the same terms and conditions as relating to the area and size.

Mining Lease 1959 was awarded to Consolidated African (Uganda) on 20th June 2019 for a period of 21 years, to develop and mine graphite.

Exploration Licence 1612 expired on 14 November 2019, however Consolidated African (Uganda) are entitled to, and have, submitted a reapplication for a 2-year extension to the licence. The Directors are not aware of any reason why the licence will not be extended. Exploration Licence 1612 covers an area that is not currently being exploited and it does not form any part of the area for the studies proposed to be undertaken in the near or medium term.

A summary of the Project Licences is shown in the Table below:

Table: Tenement Schedule

Licence Type	*Licence Number*	*Area km2*	*Registered Holder*	*Granted*	*Expiry*	*District*	*Comment*
RL	1025	325.56	CARL	8 Aug 2015	7 Aug 2019	Kitgum, Kaabong	Part of the original EL1025 converted to ML1959. The remaining area has expired but the Company has applied for a RL.
EL	1173	96.54	CARL	8 Jul 2015	7 Jul 2020	Kitgum, Kaabong	Current, renewed on 8 Aug 2018
EL	1612	101.4	CARL	14 Nov 2016	13 Nov 2019	Kitgum, Kotido, Kaabong	Converted from TN2390
ML	1959	-20.97	CARL	20 Jun 2019	19 Jun 2040	Kitgum	

Notes: RL – Retention Licence; EL – Exploration Licence; ML – Mining Lease; CARL – Consolidated African Resources (Uganda) Limited

Rents and fees of Uganda Shilling 34,800,000 paid.

Source: CPR

Further details regarding the Orom Graphite Project is set out in the Competent Person's Report at Part V of this Document.

6 GRAPHITE MARKET

6.1 Graphite

Graphite is formed by metamorphism of organic matter in sedimentary units. It is a natural form of carbon (chemical formula C) and is characterised by its hexagonal crystalline structure. The two main forms of graphite are natural and synthetic. Natural and synthetic graphite is processed at temperatures of up to 2,500°C to produce high purity graphite with up to 99.9 per cent. TGC. This permits the introduction of selected promoter elements, such as boron and silicon into the graphite structure, which enhances its consistency, lubricant properties and conductivity. Whilst crystalline graphite is preferred for making crucibles, amorphous graphite is used in foundry facings, steelmaking and refractories. Natural graphite also has a low co-efficient of friction rendering it suitable for coatings, pencils, powder metallurgy, refractories, lubricants and batteries. Low quality graphite can also be used in high technology applications, which were once the domain of synthetic material. Natural graphite offers significant cost advantages over synthetic graphite, but limited recycling capacity as it tends to be gradually consumed during use in applications such as refractories or brake linings. However, recycling applications include renewal of used electrodes or as substitutes for amorphous graphite. Hence, the use of recycled graphite refractories in such products as brake linings and thermal insulation is growing, but due to the abundance of natural graphite in the world markets, there is no great incentive or value at present for recycling graphite on a mass scale. Substitution of graphite by other minerals is currently low as no mineral is so versatile and with such unique and important physical and chemical properties

6.2 **Graphite Supply**

China is the world's largest producer of graphite. The majority of graphite mining is centred on Hellongjiang in the northeast and Shandong in east China. Mines located in the north are adversely affected by weather and tend to close during winter. As a result, the global market is affected by seasonal availability of supply leading to tightening prices during the northern hemisphere's winter period. Graphite deposits in China are not publicly reported despite China having the largest graphite reserves and production capacity, currently producing around 75 per cent. of the world's supply. However, due to environmental and other issues supply from China has reduced by approximately 20 per cent. in 2018, with a total forecast supply 400k tonnes per annum by 2020. Graphite from China however is declining in quality as easily mined surface oxide deposits are being depleted. Additionally, the costs of production are increasing as mines become deeper, compounded by increasing costs from tightening labour and environmental standards. Outside of China, the largest graphite projects occur in Mozambique through the Syrah Resources Balama Project, and Tanzania, an area noted for large, high purity flake, and Brazil. There is a total forecast supply for 2025 of approximately 1,150k tonne per annum, with China supplying 400k tonnes per annum, Mozambique 350k tonne per annum and other countries supplying the balance of 400k tonnes per annum. This total supply of 1,150k tonnes per annum does not cover a forecast total demand for flake graphite of 1,550k tonnes per annum by 2025.

6.3 **Graphite Demand**

Global demand for natural graphite doubled between 2006 and 2012 and has been steadily increasing since 2013 and into 2018. Annual usage of natural flake graphite in 2017 was 710,000 tonnes. China and India are the largest producers, accounting for over 70 per cent. of the global production. During 2018, China produced over 70 per cent. of the world's natural graphite (56 per cent. was flake and 44 per cent. was amorphous). Whilst China does produce some large flake graphite, the majority of its production is very small (i.e. 200-mesh range). Other major natural graphite suppliers are Canada, North Korea, Mexico (amorphous), India and Brazil (USGS, 2019). Over 80 per cent. of graphite demand is driven by industrial applications with the dominant market (39 per cent. of demand) being refractories, which in turn is 70 per cent. dependent on steel production. A significant and growing portion of demand is also tied to hi-tech applications through their use in batteries as an anode material with batteries being the fastest growing market for graphite with growth driven by 15 to 25 per cent. demand a year, as a result of increasing consumption of portable electronics (e.g., mobile phones, smartphones and tablets). It is forecast that growth in graphite demand will be primarily driven by refractories demand from the construction and car manufacturing industries. Batteries will probably see the greatest growth as a result of portable technology that will require larger and more powerful graphite intensive batteries. Fully electrical vehicles that require batteries of 10 kWh and above are forecast to have a major impact on volume. Predictions are that the battery sector will increase market share of graphite consumption from about 8 to 10 per cent. over the near to medium term.

Flake graphite is typically mined as a 6-12 per cent. product in its natural form – a few higher natural grade projects occur but not many. Mining is followed by basic crushing and milling, and floatation to release the graphite. The end product is a graphite concentrate that can be anywhere between 86 per cent. – 98 per cent. purity.

Natural graphite comes in different flake sizes:

Jumbo
Large
Medium
Small/Fines

Different flake sizes are used for different products and usages, with over 150 applications. Pricing of primary product varies considerably according to flake size and purity of concentrate.

Flake graphite concentrate may be subjected to further processing for higher purity levels, expandable, micronized and spherical graphite. Downstream value-add may be completed by the mining company itself, or alternatively by a specialist beneficiation expert that focuses on delivering particular graphite into specific markets.

There has been a rapid growth in the flake graphite demand relating to EV batteries from 120,000 tonnes in 2017 to 165,000 tonnes in 2018. The Company anticipates that there will be significant projected growth in flake demand for EV batteries. The growth in EV batteries is driven by:

- 71 new giant Giga-factories are currently under construction, that will produce millions of EV batteries, whereas 18 months ago there were just 17 being built. This includes 45 new Giga-factories in China;
- Benchmark Mineral Intelligence estimates planned lithium-ion capacity to rise from 289GWh (2019) to 1,549GWh (2028) over the next decade;
- Every 100GWh of Li-battery capacity requires approximately 100,000 tonnes of natural flake graphite – hence 1,549GWh would require ~1.5mtpa flake graphite;
- A typical EV battery for a medium sized sedan vehicle contains 50kgs graphite – considerably more weight than any other material used in the battery;
- Electric vehicle manufacturers all have significant growth targets ahead – 1,549GWh equates to 23m EVs; and
- Natural flake and synthetic graphite will share this growth over the next decade – but analysts forecast mostly natural flake.

Currently the main user of flake graphite is in the steel production process (approximately 550,000 tonnes per annum) as a liner for ladles and crucibles, within furnaces and in graphite electrodes to help melt scrap metal. This market is forecast to remain relatively flat ahead, but it still consumes considerable tonnes of the highest quality product.

7 OVERVIEW OF UGANDA

7.1 Country Overview

Uganda, officially the Republic of Uganda is a country in East-Central Africa. It is bordered to the east by Kenya, to the north by South Sudan, to the west by the Democratic Republic of the Congo, to the south-west by Rwanda, and to the south by Tanzania. The southern part of the country includes a substantial portion of Lake Victoria, shared with Kenya and Tanzania. Uganda is in the African Great Lakes region. Uganda also lies within the Nile basin, and has a varied but generally a modified equatorial climate.

Uganda takes its name from the Buganda kingdom, which encompasses a large portion of the south of the country, including the capital Kampala. Uganda gained independence from the UK on 9 October 1962. The official languages are English and Swahili, although any other language may be used as a medium of instruction in schools or other educational institutions or for legislative, administrative or judicial purposes as may be prescribed by law.

The current president of Uganda is Yoweri Kaguta Museveni, who came to power in January 1986. He has since eliminated the presidential term limits and the presidential age limit; due to the nature of Ugandan politics, this effectively makes him president for life. The President of Uganda is the head of state, head of government and the Commander in Chief of the Ugandan People's Defence Forces. The president appoints a vice-president and a prime minister to aid him in governing.

The Bank of Uganda is the central bank of Uganda and handles monetary policy, regulation of financial institutions along with the printing of the Ugandan shilling. The country has been experiencing consistent economic growth. In fiscal year 2015–16, Uganda recorded gross domestic product growth of 4.6 per cent. in real terms and 11.6 per cent. in nominal terms. This compares to 5.0 per cent. real growth in fiscal year 2014–15.

7.2 Company Law and Applicable Law covering Exploration and Mining Operations

The Ministry of Energy and Mineral development, through the Directorate of Geological Survey and Mines ("**GSMD**"), is responsible for issuing exploration and mining licenses and administering the Mining Act (2003). GSMD is an integral part of the Ministry of Energy and Mineral Development responsible for regulating mining activities in Uganda and is based in Entebbe.

According to the laws of Uganda under the Company's Act No. 1 of 2012, section 132(1); a Company duly registered in Uganda and having a share capital is required at least once every year to make a return containing the situation of the registered office of the company, registered postal address of that office, members and changes in membership, debenture holders, indebtedness, shares, directors and company secretary.

Ownership of all mineral resources is vested in the State to be held in trust for the people of Uganda and their use and exploitation is regulated by the Mining Act and the regulations made thereunder. Accordingly, the right to prospect, mine or explore mineral resources is granted by the State subject to terms and conditions in the Mining Act.

7.3 Mining and Regulatory environment

The country of Uganda accounts for 4 per cent. of the World's mine production of pumice and pumicite. It also produces aggregates, brick clay, cement, refined cobalt, gold, iron ore, kaolin, refined lead, limestone, niobium (columbium), salt, steel, tantalum, tin, tungsten, and vermiculite.

In 2015, the manufacturing sector accounted for 8.5 per cent. of the gross domestic product, and mining and quarrying, 0.7 per cent. (USGS, 2015). The value of output in the mining and quarry sector increased by 16.9 per cent. in 2015, which compares favorably with 12.9 per cent. in 2014.

There are approximately 799 mining claims in Uganda covering an area of about 59,739km2. These occur mainly near the border with Kenya (in the east), and to the west and southwest of the capital city of Kampala. According to the S&P Global Market Intelligence, the exploration spend in Uganda for 2018 was approximately $1.6 million (from 3 projects). This is down from a high of approximately $3.6 million in 2015 but a slight increase from $1.1 million in 2017. The mining industry in Uganda is predicted to expand in the next few years with the restart of copper and phosphate rock mining. In addition, the expansion of iron ore mining, and the opening of downstream processing plants for phosphate rock and steel should result in significant growth in in the longer term depending on the viability of crude and refined petroleum production.

Most mining and mineral processing facilities are privately owned, including cement and steel plants, the lead refinery, and the vermiculite mine. Artisanal miners produced pozzolanic materials in the Kabarole district, gold in the Mubende district, and salt at Lake Katwe.

The mineral rights licences come in five forms:

- ***Prospecting Licence***. A general licence enabling the holder to prospect for suitable mineral exploration areas anywhere in the country, except in areas of existing mineral licences, National Parks or Game Reserves. A company may only prospect if it employs at least one individual with such a licence who must also act as an agent for the company.
- ***Exploration Licence***. Issued to a Ugandan citizen or company registered in Uganda, who must hold a valid Prospecting Licence, with any individual or company allowed to hold an

exploration licence if suitable financial resources can be demonstrated. ELs cover rectangular areas not exceeding 500km2 and are exclusive for the stated minerals within the area granted. The licence gives the holder right of access and the right to camp within the licence. They cannot overlap an existing retention licence or mining lease. They are issued for up to three years and renewable for two periods of two years each, with a 50 per cent. reduction in area with each renewal. The application process is thorough and must include a detailed program with proposed employment of Ugandans and potential environmental impacts. On expiry a company should apply for a retention licence or mining lease.

- ***Retention Licence***. This applies to an area covered by an exploration licence on which the holder has made a discovery but cannot immediately develop it. A retention license has an initial term of 3 years and may be renewed for a single period not exceeding 2 years. The licenses confers upon the holder the exclusive right to apply for a mining lease over the respective mineral area.
- ***Mining Lease***. These are issued where mining is justified, through a full feasibility study with environmental impact assessment submitted to the government. There is no maximum or minimum size, though the licence must be rectangular. The licence gives the holder the exclusive right to mine, refine, process and/or sell stated minerals within the area granted, and the right to establish a camp, plant and dumps within the licence. The lease has an initial term of up to 21 years, renewable for no more than 15 years.
- ***Location Licence***. This is intended for small-scale mining

A project EIA will be assessed at central government, provincial and private level and will need to encompass all aspects of the project.

Details of the Company's Project Licences are set out in section 5.3 of this Part I, above.

7.4 Fiscal provisions

Mineral rent is currently levied on mining leases at the rate of Uganda Shillings 100,000/= per hectare or part of a hectare and on exploration and retention licenses at the rate of Uganda Shillings 100,000/= per square kilometre or part of a square kilometre. Mining royalties are levied by the Ugandan government through the Department of Geological Surveys and Mines. The DGSM have acknowledged that at present there is no prescribed rate, however, the rate for other industrial minerals, for example, limestone, chalk, gypsum and vermiculite is charged at the rate of 3,000 Ugandan Shillings per tonne. The corporate tax rate is 30 per cent after deduction of various expenditures, depreciation and previous losses allowed by the Income Tax Act Cap 340.

8. FURTHER INFORMATION

The attention of prospective investors is also drawn to the remaining sections of this Document, which contain further information on the Company and the Enlarged Group.

PART II

THE COMPANY

1 ISSUED SHARE CAPITAL

1.1 The Company has on the date of this Document an issued share capital of 31,666,664 Shares of a single class each of 0.5 pence per share. Following the Placing, Subscription, Acquisition and Admission, the Company will have 98,333,326 issued Shares.

1.2 During the period covered by the historical financial information and up to the date of this Document, the Company has issued and allotted ordinary shares, as follows:

Date of Issue	*Description*	*No. of Shares*	*Total No. of Shares*
18.9.17	Incorporation	1 share of £1	1
13.11.17	Sub-division	1 share of £1 divided into 200 shares of 0.5 pence	200
13.11.17	Issue to certain seed investors	9,999,800	10,000,000
9.4.18 – 39.7.18	Issue to certain seed investors	11,666,664	21,666,664
18.4.19	Initial IPO placing shares	10,000,000	31,666,664

2 DETAILS OF OUTSTANDING WARRANTS

As at the date of this Document, the Company has granted warrants over 14,458,336 Shares in the Company to certain Directors and Shareholders and to Brandon Hill, which shall represent approximately 14.70 per cent. of the Enlarged Share Capital. As from Admission, the Company will have granted warrants over an additional 17,916,665 Shares in the Company to give a total of warrants over 32,375,001 Shares as at Admission, which shall represent approximately 32.92 per cent. of the Enlarged Share Capital.

3 DETAILS OF DIRECTORS AND KEY MANAGEMENT

3.1 As at the date of this Document, the Company has the following three Directors and Mike Ralston and Iain Wearing are key management:

- Cameron William Leslie Pearce
- Sam Delevan Quinn
- Alexander Ross Passmore

4 DIRECTORS TERMS OF EMPLOYMENT

4.1 Summaries of the terms of the service agreements for each of the Directors following Admission are set out at paragraphs 11.1, 11.2 and 11.3 of Part XI of this Document.

4.2 Summaries of the employment agreements between the Company, Mike Ralston and Iain Wearing are set out in paragraphs 11.4 and 11.5 of Part XI of this Document.

5 MATERIAL CONTRACTS

5.1 Summaries of material contracts are set out at paragraph 20 of Part XI of this Document. This includes the Lock-in Agreements entered into by Consolidated Africa and New Energy with respect to the Acquisition Shares and Option Shares, respectively.

6 THE GROUP'S TRADING STRATEGY AND PROSPECTS

Following Admission the Group will look to perform the following fieldwork in 2020:

- Drilling to establish a JORC resource
- Metallurgical testwork
- Commencement of a pre-feasibility study

Only a small portion of the Orom Graphite Project has been explored to date and there is therefore a large upside potential to include additional graphite bearing material by doing further exploration work. The geophysical and geological mapping work done to date indicates that the graphite mineralisation extends along strike for a considerable distance, which is currently estimated to be approximately 18 kilometres. Based on limited testwork carried out to-date, the graphite mineralisation has been able to demonstrate that it contains a very high proportion of large, jumbo and super-jumbo flakes with low impurities, which fetches a higher price in the market than the finer graphitic flake material.

The Directors believe that the previous geological testwork demonstrates that the Orom Graphite Project is a viable one and that the Group has a strong management team to develop the Orom Graphite Project into a successful mining operation in due course.

7 THE PLACING, SUBSCRIPTION AND USE OF PROCEEDS

The Net Proceeds of the Placing and Subscription, being £1,753,000, being the gross proceeds of £2,000,000 raised through the Placing and Subscription less Costs (£247,000), will be used to develop and advance the Orom Graphite Project with a view to generating value for Shareholders. None of the Costs will be charged to the Placees or to any Shareholders. Details of the Placing and Subscription are set out in Part IV of this Document. The only conditions to completion of the Placing and Subscription is completion of the Acquisition and Admission. All funds in relation to the Placing have been raised by the Company and are either being held by Brandon Hill pending Admission or will be received in conjunction with Admission. All funds in relation to the Subscription have been raised by the Company and are either being held in escrow by the Company pending Admission or will be received in conjunction with Admission.

The maximum funding requirement of the Group over the next 12 to 18 months, excluding any funding which may be required for potential corporate acquisitions, will be available from the net proceeds of the Placing and Subscription. A summary of the Group's budget is set out below:

Budget Expenditure	£
Drilling (JORC Resource)	500,000
Preliminary Operational Studies	300,000
Tenement costs and compensation	200,000
Corporate Costs and working capital	753,000
TOTAL	1,753,000

Following Admission, net of Transaction Costs (set out above), the Group will have funds of approximately £1,760,000 available.

Upon Admission, the Company will have sufficient funds to meet the exploration expenditure and work programme requirements in respect of the Project Licences for the Working Capital Period.

8 ANNUAL GENERAL MEETING

At the end of this Document you will find a notice convening the first Annual General Meeting of the Company, which is to be held at 10.00 a.m. on 23 April 2020 at the offices of Brandon Hill at 1 Tudor Street, London, EC4Y 0AH. A summary of the action you should take is set out in paragraph 9 of this Part II and in the Form of Proxy that accompanies this Document.

The purpose of the Annual General Meeting is to consider and, if thought fit, pass the Resolutions, in each case as set out in full in the notice of Annual General Meeting. Resolutions 1 – 8 inclusive will be proposed as ordinary resolutions and Resolution 9 will be proposed as a special resolution of the

Company. Resolutions 6, 8 and 9 will be inter-conditional upon each of such Resolutions having been validly passed:

To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

1. To receive the Company's annual accounts for the financial year ended 30 September 2019 together with the Directors' Report and Auditors' Report on those accounts.
2. To re-elect Cameron Pearce as a Director of the Company having been appointed since the last general meeting.
3. To re-elect Sam Quinn as a Director of the Company, having been appointed since the last general meeting.
4. To re-elect Alexander Passmore as a Director of the Company, having been appointed since the last general meeting.
5. To re-appoint Crowe U.K. LLP as the Company's auditors to hold office from the conclusion to this meeting until conclusion of the next meeting at which annual accounts are laid before the Company and to authorise the Directors, or the Audit Committee, to determine the remuneration of the auditors.
6. To approve the proposed Acquisition on the terms and conditions as set out in the Acquisition Agreement; and
   (i) without limitation, approve the issue of the Acquisition Shares to Consolidated Africa as consideration for the Acquisition of the entire issued share capital of Consolidated African (Uganda) and the issue of the Option Shares as non-cash consideration to New Energy as consideration for the assignment of the Term Sheet which granted the Company the right to enter into the Acquisition with Consolidated Africa be and is hereby approved; and
   (ii) to approve that the Directors be and they are hereby authorised to do all things that are in the opinion of the Directors (or a duly authorised committee of them) necessary, expedient or appropriate to give effect to and complete the Acquisition with such modifications, amendments, variations or waivers as they (or any such committee) consider to be necessary, expedient or appropriate.
7. Subject to the passing of Resolution 6, to approve the adoption by the Company of the Share Option Scheme described in paragraph 3.12 of Part XI of the Document ("Share Option Scheme").
8. That, subject to the passing of Resolution 6, pursuant to section 551 of the Act, the Directors be generally and unconditionally authorised to issue and allot equity securities (as defined by section 560 of the Companies Act) and to grant rights to subscribe for or convert any security into shares of the Company as follows:
   (i) the Acquisition Shares to be issued in connection with the Acquisition;
   (ii) the Option Shares to be issued in connection with the Acquisition;
   (iii) in aggregate 33,333,329 Ordinary Shares be issued as Placing Shares and/or Subscription Shares;
   (iv) in respect of any valid exercise of any share options granted to officers, employees or consultants of the Company in accordance with the terms of the Share Option Scheme;
   (v) in respect of any valid exercise of any warrant over Ordinary Shares granted to any person by the Company; and
   (vi) in addition to any relevant shares allotted pursuant to the authorities in Resolution 8(i) – 8(v) above, up to an aggregate nominal amount of £200,000;

provided that such authorities shall, unless renewed, varied or revoked by the Company, expire on the date of the next annual general meeting of the Company save that the Company may, before such expiry, make offers or agreements which would or might require relevant securities to be allotted and the directors may allot relevant securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired. This resolution revokes and replaces all unexercised authorities previously granted to the directors to allot relevant securities but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

To consider and if thought fit, pass the following resolution as a special resolution:

9. THAT, subject to Resolutions 6 and 8 being duly passed, the Directors of the Company be given the authority to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the authority conferred upon them by Resolution 8 above (as varied, renewed or revoked from time to time by the Company at a general meeting) as if section 561(1) of the Act did not apply to any such allotment provided that such power shall be limited to:

   (i) an allotment in connection with a rights issue or any other pre-emptive offer in favour of holders of equity securities where the equity securities offered to each such holder is proportionate (as nearly as may be) to the respective amounts of equity securities held by each such holder subject only to such exclusion or other arrangements as the Directors may consider appropriate to deal with fractional entitlements or legal or practical difficulties under the laws of or the requirements of any recognised regulatory body in any territory or otherwise;

   (ii) an allotment in connection with the valid exercise of any share options granted in accordance with the terms of the Share Option Scheme;

   (iii) an allotment in connection with the valid exercise of any warrants over Ordinary Shares granted by the Company;

   (iv) an allotment of the Acquisition Shares, Option Shares, Placing Shares and Subscription Shares; and

   (v) otherwise, Ordinary Shares with up to a maximum nominal amount of £200,000.

   The powers granted by this resolution will expire on the conclusion of the Company's next annual general meeting (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired. This resolution revokes and replaces all unexercised powers previously granted to the directors to allot equity securities as if section 561(1) of the Act did not apply but without prejudice to any allotment of equity securities already made or agreed to be made pursuant to such authorities.

9 ACTIONS TO BE TAKEN IN RESPECT OF THE ANNUAL GENERAL MEETING

Shareholders will find enclosed a form of proxy for use at the Annual General Meeting. Whether or not you intend to be present at the Annual General Meeting, you are requested to complete and return the form of proxy in accordance with the instructions printed therein so as to be received as soon as possible by the Share Registrar but, in any event, so that it is received no later than 10.00 a.m. on 21 April 2020. The completion and return of a Form of Proxy will not preclude you from attending and voting in person at the meeting, if you so wish.

10 ADMISSION TO TRADING ON THE OFFICIAL LIST

The Directors will apply for the entire share capital of the Company and all issued Shares to be admitted to the Official List, by way of a Standard Listing, and to trading on the London Stock Exchange's main market for listed securities. Dealings in the Shares in issue immediately after Admission are expected to commence at 8.00 a.m. on 28 April 2020, and copies of this Document and other documents the Company is required to make available for inspection will be available to the public, free of charge, from the Company's registered office for a period of 14 days from the of dealings.

Such documents will also be made available on the Company's website at www.blencoweresourcesplc.com from the date of publication of this Document.

11 DIVIDEND POLICY

The objective of the Directors is the achievement of substantial capital growth. In the short term they do not intend to declare a dividend. Once the Company has commenced commercial development of the Orom Graphite Project and achieved an appropriate level of profit, the intension of the Directors is to declare a dividend.

PART III

DIRECTORS, KEY MANAGEMENT AND CORPORATE GOVERNANCE

Details of the Directors and Key Management and their backgrounds are as follows:

1 DIRECTORS IMMEDIATELY ON AND FOLLOWING ADMISSION

1.1 Cameron William Leslie Pearce (Executive Chairman), aged 48 (date of birth 13 February 1972)

Cameron Pearce was a founder of the Company and has extensive professional experience in both the Australian and United Kingdom finance industries. In recent times he has provided corporate, strategic, financial and advisory assistance to private and public companies in both Australia and the United Kingdom. Mr Pearce is a member of the Australian Institute of Chartered Accountants and has been in commerce over twenty years holding senior financial and management positions in both publicly listed and private enterprises in Australia, Europe, Asia, Africa and Central America.

Mr. Pearce has considerable corporate and international expertise and over the past decade has focussed on mining and exploration activities.

Mr. Pearce was appointed as a director on 13 November 2017 and he will put himself forward for re-election at the Annual General Meeting.

1.2 Sam Delevan Quinn (Non-Executive Director), aged 42 (date of birth 18 June 1977)

Sam Quinn was a founder of the Company and is a corporate lawyer with over a decade's worth of experience in the natural resources sector, in both legal counsel and executive management positions. Mr Quinn is currently the Director of Corporate Finance and Legal Counsel for the Dragon Group, a London-based natural resources venture capital firm and a Non-Executive Director of AIM quoted Red Rock Resources Plc, a mineral and exploration and production company (primarily focussed on the discovery and development of gold, and in recent times oil and gas projects), a founder and Non-Executive Director of Emmerson Plc, an Official List quoted, by way of a 'Standard Listing', natural resources company, and a director of NEX Exchange Growth Market quoted Tectonic Gold plc (formerly Stratmin Global Resources Plc). Mr Quinn has gained significant experience in the administration, operation, financing and promotion of natural resource companies.

Prior to working in the natural resources sector, Mr Quinn worked as a corporate lawyer for Jackson McDonald Barristers & Solicitors in Perth, Western Australia and for Nabarro LLP in London.

Mr. Quinn was appointed as a director on 13 November 2017 and he will put himself forward for re-election at the Annual General Meeting.

1.3 Alexander Ross Passmore (Non-Executive Director), aged 41 (date of birth 20 October 1978)

Alex Passmore (aged 40) is an experienced corporate executive with strong financial and technical background. Mr Passmore managed the arrangement of debt for many well-known resources companies and has a wealth of experience in project evaluation. He also managed the WA natural resources business of CBA which comprised a substantial portfolio of loan, hedge, trade finance and working capital products to ASX-listed and multi-national resource companies. Prior to this, Mr Passmore held senior roles at Patersons Securities and was director of corporate finance and head of research. Mr Passmore holds a BSc (Hons) in Geology from the University of Western Australia and a graduate diploma of Applied Finance and Investments from the Institute of Securities Australia.

Mr. Passmore was appointed as a director on 18 May 2018 and he will put himself forward for re-election at the Annual General Meeting.

2 KEY MANAGEMENT

2.1 Michael (Mike) Ralston, aged 52 (date of birth 22 April 1967)

Mr Ralston is a Chartered Accountant with 25 years' experience successfully developing businesses worldwide, including in Africa. He has been a senior executive and board member for several junior listed resource companies over the past 15 years and he has raised A$300m in debt and equity over that period. He brings a wealth of corporate and management experience and he has been involved in developing at least three mining companies from start-up through to production. Mr Ralston was previously MD of Balamara Resources Ltd, which developed two large scale coal projects in Poland, and before that CFO of Kangaroo Resources Ltd, which developed several coal projects in Indonesia into production, before trade sale to a major Indonesian coal producer for A$600m in 2010. Mr Ralston is currently Non-Executive Chairman of Trigg Mining Limited.

2.2 Iain Wearing, aged 57 (date of birth 26 December 1961)

Mr Wearing is a Mining Engineer with 30 years' experience in the resource industry, including significant project experience in Africa. He has been involved in the technical management of African projects for several companies, including Resolute Mining and Barrick Gold, and he has managed studies for several major projects including the Kibali Gold Project for Moto Gold, Syama Project in Mali, and Golden Pride in Tanzania. He brings a wealth of technical expertise to the team. His knowledge in study management, operations planning and costing, as well as operations management, will be critical to the Orom Graphite Project moving forward as the Company moves towards first production.

3 CORPORATE GOVERNANCE

3.1 UK Corporate Governance Code

The Company voluntarily observes the requirements of the UK Corporate Governance Code, save as set out below. As at the date of this Document the Company is, and at the date of Admission will be, in compliance with the UK Corporate Governance Code with the exception of the following:

- Given the composition of the Board, certain provisions of the UK Corporate Governance Code (in particular the provisions relating to the division of responsibilities between the Chairman and chief executive and executive compensation), are considered by the Board to be inapplicable to the Company. In addition, the Company does not comply with the requirements of the UK Corporate Governance Code in relation to the requirement to have a senior independent director and the Board's committees will not, at the outset, have three independent non-executive directors.
- The UK Corporate Governance Code also recommends the submission of all Directors for re-election at annual intervals. Each Director has agreed to submit himself for re-election at the first Annual General Meeting of the Company when the Acquisition will also be proposed.

3.2 Voluntary compliance with Listing Rules

The Company will comply with the Listing Principles set out in Chapter 7 of the Listing Rules at Listing Rule 7.2.1 which apply to all companies with their securities admitted to the Official List. In addition, the Company will also comply with the Listing Principles at Listing Rule 7.2.1A notwithstanding that they only apply to companies which obtain a Premium Listing on the Official List. Therefore, the Company shall:

- take reasonable steps to enable its directors to understand their responsibilities and obligations as directors;
- act with integrity towards its shareholders and potential shareholders;
- ensure that each class of shares that is admitting to trading shall carry an equal number of votes on any shareholder vote. The Company currently only one class of Shares and the Articles which are summarised in Part XI, section 7 confirms that each Share carries the right to vote;
- ensure that it treats all holders of the same class of shares equally in respect of the rights attaching to those shares; and
- communicate information to its shareholders and potential shareholders in such a way as to avoid the creation or continuation of a false market in those shares.

4 BOARD COMMITTEES

The Board is committed to the principles underpinning good corporate governance, applied in a manner which is most suited to the Company, and to best addressing the Directors' accountability to security holders and other stakeholders. The Company publishes its Corporate Governance Statement on its website at www.blencoweresourcesplc.com.

4.1 Audit Committee

The Audit Committee will comprise of Cameron Pearce, who will act as chairman of the committee, and Alex Passmore and meet at least twice a year and is responsible for ensuring that the Group's financial performance is properly monitored, controlled and reported. The Audit Committee is responsible for the scope and effectiveness of the external audit and compliance by the Group with statutory and other regulatory requirements.

The Group will consider establishing an internal audit function in the future (once the Group's size and nature of transactions becomes more complex).

With respect to the Group's external auditors, the Audit Committee intends to:

- monitor in discussion with the auditors the integrity of the financial statements of the Group, any formal announcements relating to the Group's financial performance and review significant financial reporting judgments contained in them;
- review the Group's internal financial controls and review the Group's internal control and risk management systems;
- make recommendations to the Board for it to put to the shareholders for their approval in the general meeting, in relation to the appointment, re-appointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor;
- review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements;
- develop and implement policy on the engagement of the external auditor to supply non-audit services, taking into account relevant external guidance regarding the provision of non-audit services by the external audit firm; and
- report to the Board, identifying any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken.

The Audit Committee will be provided with details of any proposed related party transactions in order to:

- consider and approve the terms and conditions of such transactions or to avoid breaches of the Listing Rules; and
- determine whether the relevant percentage under the Listing Rules is breached (either in isolation or cumulatively) and therefore what action needs to be taken.

The Audit Committee will also review arrangements by which the staff of the Group may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters and ensure that arrangements are in place for the proportionate and independent investigation of such matters with appropriate follow-up action. Where necessary, the Audit Committee will obtain specialist external advice from appropriate advisers.

4.2 Remuneration and Nominations Committee

The Remuneration Committee will comprise Sam Quinn, who will act as chairman of the committee, and Alex Passmore, and will meet at least annually and shall:

- have responsibility for setting the remuneration policy for all executive directors and the Company's chairman, including pension rights and any compensation payments. No director or senior manager shall be involved in any decisions as to their own remuneration.
- recommend and monitor the level and structure of remuneration for senior management.

- in determining such policy, take into account all factors which it deems necessary including relevant legal and regulatory requirements.
- when setting remuneration policy for directors, review and have regard to pay and employment conditions across the Company or Group, especially when determining annual salary increases.
- review the on-going appropriateness and relevance of the remuneration policy.
- within the terms of the agreed policy and in consultation with the chairman and/or chief executive, as appropriate, determine the total individual remuneration package of each executive director, the Company chairman and other designated senior executives including bonuses, incentive payments and share options or other share awards.
- obtain reliable, up-to-date information about remuneration in other companies of comparable scale and complexity.
- be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the committee.
- approve the design of, and determine targets for, any performance-related pay schemes operated by the Company and approve the total annual payments made under such schemes.
- review the design of all share incentive plans for approval by the Board and shareholders. For any such plans, determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards to executive directors, company secretary and other designated senior executives and the performance targets to be used.
- determine the policy for, and scope of, pension arrangements for each executive director and other designated senior executives.
- ensure that contractual terms on termination, and any payments made, are fair to the individual, and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised.
- oversee any major changes in employee benefits structures throughout the Company or group.
- agree the policy for authorising claims for expenses from the Directors.

5 GROUP POLICIES

5.1 Anti-bribery and Anti-corruption Policy

It is the Company's policy, as set out in the Anti-bribery and Anti-corruption Policy, to conduct all of its business in an honest and ethical manner and to take a zero-tolerance approach to bribery and corruption. The Company is committed:

(a) to acting professionally, fairly and with integrity in all of its business dealings and relationships wherever it operates; and

(b) to implementing and enforcing effective systems to counter bribery and corruption, including the adoption of this Policy.

The purpose of the Policy is to set out the Company's responsibilities, and the responsibilities of those working for the Group, in observing and upholding its position on anti-bribery and anti-corruption and to provide information and guidance to those working for the Group on how to recognise and deal with bribery and corruption issues.

5.2 Share Dealing Policy

The Company has adopted a share dealing policy regulating dealing in securities of the Company by the Board and other persons discharging managerial responsibilities (and their persons closely associated) which contains provisions appropriate for a company whose shares are admitted to trading on the LSE and subject to MAR. The Company will take all reasonable steps to ensure compliance by the Board and any relevant employees with the terms of that share dealing policy. The Directors consider that this share dealing policy is appropriate for a company whose shares are admitted to trading on the LSE.

PART IV

THE PLACING AND SUBSCRIPTION

1 THE PLACING, SUBSCRIPTION AND ADMISSION

Placees have agreed to subscribe for the Placing Shares at a Placing Price of £0.06 per Placing Share. Subscribers have agreed to subscribe for the Subscription Shares at the Placing Price. The Placing and Subscription comprises in aggregate 33,333,329 Placing and Subscription Shares representing approximately 105.3 per cent., of the Company's Existing Share Capital and will therefore raise approximately £2,000,000 (before expenses). The Placing Shares will represent approximately 25.42 per cent. of the Company's Enlarged Issued Share Capital following completion of the Acquisition and Admission and 19.12 per cent. of the Company's Enlarged Issued Share Capital on a fully diluted basis. The Subscription Shares will represent approximately 8.47 per cent. of the Company's Enlarged Issued Share Capital following completion of the Placing, Acquisition and Admission and 6.38 per cent. of the Company's Enlarged Issued Share Capital on a fully diluted basis.

The subscription by the Placees of the Placing Shares under the Placing is irrevocable but conditional on completion of the Acquisition (other than any condition relating to Admission) and is subject to certain conditions as set out in the Placing Agreement including, amongst other things, fulfilment of the following conditions:

(a) the Placing Agreement having become unconditional in all respects save for completion of the Placing;

(b) the Company having complied with its obligations under the Placing Agreement in all material respects to the extent that such obligations are required to be performed prior to Admission; and

(c) Admission having become effective at or before 8.00 a.m. on 28 April 2020.

The subscription for the Subscription Shares is irrevocable but conditional on completion of the Placing and the Acquisition (other than any condition relating to Admission).

The Subscribers and Placees do not have any statutory right of withdrawal. If any of the conditions to the Placing and/or the Subscription are not satisfied, the Acquisition, Placing and Subscription will not take place and any Subscription monies or Placing monies will be returned to the relevant Subscriber and/or Placee.

The Directors believe that raising funds by way of a placing and subscription (as opposed to a rights issue or open offer) will provide the certainty required for the Company's funding requirements and is more cost effective than a rights issue or open offer.

The Placing Shares and Subscription Shares will, when issued and fully paid, rank *pari passu* in all respects with the existing issued Shares, including the right to receive all dividends or other distributions declared, made or paid after the date of their issue and in respect of Voting Rights.

A summary of the material terms of the Placing Agreement is set out in paragraph 20.1 of Part XI of this Document.

Application will be made for the entire issued share capital of the Company, including the Existing Shares, the Placing Shares and Subscription Shares to be admitted to listing as a Standard Listing on the Official List and to trading on the London Stock Exchange's Main Market. It is expected that Readmission will become effective and dealings in the Placing Shares and Subscription Shares will commence at 8.00 a.m. on 28 April 2020.

The Company and the Directors have ensured that the Company shall have sufficient Shares in public hands, as defined in the Listing Rules. 18,166,666 of the Shares in issue prior to the Placing and Subscription are held by shareholders that fall within the Listing Rule 14 definition of shares in public hands. As such the Board have ensured that a minimum of 58,458,327 Shares have been allocated to investors whose individual and unconnected shareholdings will each equate to less than 5 per cent.

the Enlarged Issued Share Capital, and who do not fall within any of the other excluded categories of investors in Listing Rule 14.2.2 (4).

2 PAYMENT FOR THE NEW SHARES

Each Placee must pay the Placing Price for the New Shares issued to the Placee in the manner directed by the Company. Each subscriber must pay the Placing Price for the Subscription Shares issued to it in the manner set out in the subscription letters.

If any investor fails to pay as so directed by the Company, the relevant investor's application for New Shares may be rejected.

If Admission does not occur, placing and subscription monies will be returned without interest at the risk of the applicant.

3 CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of Shares under the CREST system. Accordingly, settlement of transactions in the Shares following Admission may take place within the CREST system if any Shareholder so wishes.

CREST is a voluntary system and investors who wish to receive and retain certificates for their securities will be able to do so. Except as otherwise described herein, the Placees may elect to receive Shares in uncertificated form if such Shareholder is a member (as defined in the CREST Regulations) in relation to CREST.

4 OVERSEAS SHAREHOLDERS

This Document is not a 'prospectus', 'product disclosure statement' or other 'disclosure document' for the purposes of the Australian Corporations Act and is not required to be lodged with ASIC or the ASX. Accordingly, a person may not (directly or indirectly) offer for subscription or purchase or issue invitations to subscribe for or buy or sell the Shares, or distribute this admission document where such offer, issue or distribution is received by a person in the Commonwealth of Australia, its territories or possessions, except if:

(a) the amount payable by the transferee in relation to the Shares is A$500,000 or more or if the offer or invitation to the transferee is otherwise an offer or invitation that does not require disclosure to investors in accordance with part 6D.2 or part 7.9 of the Corporations Act; or

(b) the offer or invitation does not constitute an offer to a 'retail client' under Chapter 7 of the Australian Corporations Act.

The Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or under the securities laws of any state or other jurisdiction of the United States or under applicable securities laws of Canada or Japan. Subject to certain exceptions, the Shares may not be offered, sold, resold, transferred or distributed directly or indirectly, and this Document may not be distributed by any means including electronic transmission within, into, in or from the United States or to or for the account or benefit of persons in the United States, South Africa, the Republic of Ireland, Canada, Japan or any other jurisdiction where such offer or sale would violate the relevant securities laws of such jurisdiction. This Document does not constitute an offer to sell or a solicitation of an offer to purchase or subscribe for Shares in any jurisdiction in which such offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company. The Shares may not be taken up, offered, sold, resold, transferred or distributed, directly or indirectly within, into or in the United States except pursuant to an exemption from, or in a transaction that is not subject to, the registration requirements of the Securities Act. There will be no public offer in the United States, although the Company may sell the Shares in a private placement transaction in the United States pursuant to an exemption from registration.

The distribution of this Document in or into jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possessions this Document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

None of the Shares have been approved or disapproved by the United States Securities and Exchange Commission, any state securities commission in the United States or any other regulatory authority in the United States, nor have any of the foregoing authorities passed comment upon or endorsed the merit of the offer of the Shares or the accuracy or the adequacy of this Document. Any representation to the contrary is a criminal offence in the United States.

5 TRANSFERABILITY

The Company's Shares are freely transferable, free from all liens and tradable and there are no restrictions on transfer.

6 DEALING ARRANGEMENTS

Application has been made to the UK Listing Authority for all the Shares to be listed on the Official List and application has been made to the London Stock Exchange for the Shares to be admitted to trading on the London Stock Exchange's Main Market for listed securities as a Standard Listing.

It is expected that Admission will take place and unconditional dealings in the Shares will commence on the London Stock Exchange at 8.00 a.m. on 28 April 2020. This date and time may change. It is intended that settlement of Shares allocated to Placees will take place by means of crediting relevant CREST stock accounts on Admission. Dealings in advance of crediting of the relevant CREST stock account shall be at the risk of the person concerned. When Readmitted to trading, the Shares will be registered with ISIN GB00BFCMVS34and SEDOL number BFCMVS3.

PART V

COMPETENT PERSON'S REPORT

THE OROM GRAPHITE PROJECT, UGANDA

Competent Person's Report on Blencowe's Orom Graphite Project, Uganda

Report Prepared for

Blencowe Resources Plc

Report Prepared by

SRK Consulting (South Africa) (Pty) Ltd

Report Ref: 548838_Blencowe_CPR_Orom_Graphite_Uganda_20191031_Final_Rev1_Wanl.docx

Report Date:	30 October 2019
Effective Date	30 October 2019

Competent Person's Report on Blencowe's Africa's Orom Graphite Project, Uganda

Blencowe Resources Plc

SRK Consulting (South Africa) (Pty) Ltd
265 Oxford Rd
Illovo 2196
Johannesburg
South Africa

e-mail: johannesburg@srk.co.za
website: www.srk.co.za

Tel: +27 (0) 11 441 1111
Fax:+27 (0) 11 880 8086

Report Ref:
548838_Blencowe_CPR_Orom_Graphite_Uganda_20191031_Final_Rev1_Wanl.docx

Report Date: 30 October 2019

Effective Date 30 October 2019

Compiled by:

Dr Michael Cunningham MAIG
Principal Consultant Geologist
Email: mcunningham@srk.com.au

Reviewed by:

Mark Wanless
Partner & Principal Consultant Geologist

Authors:

M Cunningham, A Page, J Ison

The Directors
Blencowe Resources Plc
25 Bilton Road
Rugby
Warwickshire
CV22 7AG
England

Dear Directors

Blencowe Resources Plc– Competent Persons' Report – Orom Graphite Project

Blencowe Resources Plc and its wholly owned subsidiary Consolidated African Resources Uganda Limited, (the Company) have commissioned SRK Consulting (South Africa) Pty Ltd (SRK) to prepare a Competent Person's Report (CPR) for inclusion in the Company's Prospectus (Prospectus) in support of its proposed admission to the Standard Segment of the Main Market of the London Stock Exchange (LSE).

The Company proposes to lodge the Prospectus in the fourth quarter of 2019. SRK understands that the purpose of the Prospectus is to offer up to 50,000,000 shares at an issue price of GBP 0.06 (6 pence) per share, to raise a total of up to GBP 3,000,000 before the costs of issue. The mineral asset considered in the CPR is the Orom Graphite Project (Project), which is located in Uganda.

The objective of the CPR is to present potential investors with a summary of the nature, history and technical merits of the Project and to provide an opinion on the prospectivity of the Project and planned work program.

The CPR does not comment on the 'fairness and reasonableness' of any transaction between the owners of the Project and any other parties.

The CPR was compiled by Dr Michael Cunningham, PhD (Geology and Resources) – Principal Consultant (Geology), Mr Alan Page, BSc Hons (Geology) – Principal Consultant (Geology), Mr Mark Wanless, BSc Hons (Geology and Resources) – Principal Consultant (Geology) and Mr Jeremy Ison, BEng (Metallurgical Engineering)– Principal Associate (Metallurgy). Messrs Cunningham, Page and Wanless are full-time employees of SRK, and Mr Ison is an associate of SRK. All have sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration, and to the activity to which each is undertaking, to qualify as a 'Specialist Practitioner' and a 'Competent Person' under the VALMIN Code (2015) and JORC Code (2012), respectively. Messrs Cunningham, Page, Wanless and Ison consent to the inclusion in the Prospectus for Blencowe of the matters based on this information in the form and context in which they appear.

Standard of the Report

The CPR has been prepared in accordance with the European Securities and Markets Authority (ESMA) guidelines as presented in 'The consistent implementation of Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive' (ESMA 2013/319) dated 20 March 2013 (the ESMA Recommendations).

The CPR has been prepared to the standard of, and is considered by SRK to be, a Technical Independent Assessment under the guidelines of the JORC (2012) and VALMIN (2015) Codes.

Statement of SRK Independence

Neither SRK, nor any of the authors of the CPR, have any material present or contingent interest in the outcome of the CPR, nor do they have any pecuniary or other interest that could be reasonably regarded as being capable of affecting their independence or that of SRK.

SRK has no prior association with the Company concerning the Project. SRK has no beneficial interest in the outcome of the technical assessment being capable of affecting its independence. SRK's fee for completing the CPR is based on its normal professional daily rates plus reimbursement of incidental expenses. The payment of that professional fee is not contingent upon the outcome of the CPR.

SRK is not a sole trader and is qualified under the ESMA Recommendations to provide CPRs for the purposes of inclusion in public company prospectuses and admission documents. The effective date of the CPR is 30 October 2019 (see Section 1.3 for further details).

Information basis of this Report

The Company has made available all relevant information held by the Company. SRK has supplemented this information where necessary with information from its databases and information available within the public domain. The principal sources of information are included in a reference list at the end of the CPR. The CPR includes information available up to the date of this CPR. The Company has stated that all information provided may be presented in the CPR and that none of the information is regarded as being confidential.

A site inspection to the Project was undertaken by SRK in accordance with the VALMIN (2015) Code guidelines.

Legal matters

SRK has not been engaged to comment on any legal matters. SRK notes that it is not qualified to make legal representations regarding the ownership and legal standing of the Project's tenure. SRK has not attempted to confirm the legal status of the tenements with respect to acquisition or joint venture agreements, permits, local heritage or potential environmental or land access restrictions. SRK has instead relied on information provided by the Company. SRK has prepared the CPR on the understanding that all the tenements of the Company are currently in good standing.

SRK understands that the current ownership status and legal standing of the tenements are dealt with in a separate title report provided by lawyers to the Company as disclosed in the Independent Solicitor's Report (Prospectus).

Warranties and Indemnities

Minrom on behalf of Blencowe has warranted in writing to SRK that full disclosure has been made of all information material to the matters considered in this CPR, and that, to the best of its knowledge and understanding, such information is complete, accurate and true. As recommended by the VALMIN Code, Blencowe has provided SRK with an indemnity under which Blencowe agrees to indemnify SRK for any liability and/ or any additional work or expenditure resulting from any additional work required:

- which results from SRK's reliance on information provided by Blencowe or its representatives not providing material information; or
- which relates to any consequential extension workload through queries, questions or public hearings arising from this CPR, provided that SRK does not undertake any additional work without the prior consent of Blencowe.

Consulting fees

SRK's estimated fee for completing the CPR is based on its normal professional daily rates plus reimbursement of incidental expenses. The fees are agreed based on the complexity of the assignment, SRK's knowledge of the assets and availability of data. The fee payable to SRK for this engagement is estimated at approximately GBP40 000.

Consent

SRK has given and has not withdrawn its written consent for the CPR to be used for the purposes of Blencowe's proposed admission to the LSE, including publication on Blencowe's company website and the inclusion of statements made by SRK and references of its name in other documents pertaining to Blencowe's proposed admission to the LSE. SRK provides this consent on the basis that the technical assessments expressed in the individual sections of this Report are considered with, and not independently of, the information set out in the complete Report and the Cover Letter.

SRK accepts responsibility for the information contained in the CPR. To the best of the knowledge, of SRK, the information contained in the CPR is in accordance with the facts and the CPR makes no omission likely to affect its import.

SRK confirms that nothing has come to its attention to indicate any material change to what is reported in the CPR. SRK also confirms that it has reviewed the information contained elsewhere within the admission documentation relating to the information contained within the CPR and confirms that the information presented is accurate, balanced, complete and not inconsistent with the CPR.

Yours faithfully

SRK Consulting (Australasia) Pty Ltd

Dr Michael Cunningham MAIG, MAusIMM, FGS

Principal Consultant (Geology and Resources)

30 October 2019

Executive Summary

Introduction

Blencowe Resources Plc (Blencowe) is seeking admission on the Standard Segment of the Main Market of the London Stock Exchange (LSE). Consolidated African Resources (Uganda) Limited ("Consolidated or CARL") is a fully owned subsidiary of Blencowe and has a portfolio comprising the Orom Graphite Project in northern Uganda.

Blencowe has commissioned SRK Consulting (South Africa) Pty Ltd (SRK) to prepare a Competent Person's Report (CPR) for inclusion in the Company's Prospectus (Prospectus) in support of its proposed admission to the Standard Segment of the Main Market of the LSE.

The objective of the CPR is to present potential investors with a summary of the nature, history and technical merits of the Orom Graphite Project (Project) and to provide an opinion on the prospectivity of the Project and planned work program.

The CPR does not comment on the 'fairness and reasonableness' of any transaction between the owners of the Project and any other parties.

The CPR has been prepared in accordance with the European Securities and Markets Authority (ESMA) guidelines as presented in 'The consistent implementation of Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive' (ESMA 2013/319) dated 20 March 2013 (the ESMA Recommendations).

SRK personnel responsible for the preparation and review of the CPR are Dr Michael Cunningham (Principal Consultant – Geology), Mr Alan Page (Principal Consultant – Geology), Mr Jeremy Ison (Associate – Metallurgy) and Mr Mark Wanless (Principal Consultant – Resource Evaluation). Dr Cunningham, Mr Page and Mr Ison are the principal authors of this CPR, which has been reviewed by Mr Wanless.

Mr Page completed a site inspection to the Orom Graphite Project in early July 2019.

In preparing the CPR, the authors have relied on information provided by the Company and its representative, and information available in the public domain including that by holders of adjacent tenement areas, as well as information sourced from research papers by various academic and government institutions.

SRK has endeavoured, by making all reasonable enquiries, to confirm the authenticity, accuracy and completeness of the technical data upon which this report is based.

Description of Assets

The Orom Project, located in the central African nation of Uganda (Figure 1), comprises three granted Exploration Licences, one granted Mining Lease, and one Retention Licence (Table 1).

srk consulting	**OROM GRAPHITE PROJECT** Orom Graphite Project Location	Project No. 548838

Figure 1: Orom Graphite Project Location

Source: Minrom, J.P. Van Den Berg

Table 1: Tenement Schedule

Licence Type	Licence Number	Area (km^2)	Registered Holder	Granted	Expiry	District	Comment
RL	1025	321	CARL	*		Kitgum, Kaabong	Residual area outside ML1959 being secured by RL
EL	1173	96	CARL	8 Jul 2015	7 Jul 2020	Kitgum, Kaabong	Can convert to ML
EL	1612	101	CARL	14 Nov 2016	13 Nov 2019	Kitgum, Kotido, Kaabong	Converted from TN2390, can extend for 2 years
ML	1959	~21	CARL	20 Jun 2019	19 Jun 2040	Kitgum	Active

Notes: EL – Exploration Licence; RL – Retention Licence;

ML – Mining Lease;

CARL-Consolidated African Resources (Uganda) Limited, a wholly owned subsidiary of Blencowe Resources Plc.

Annual Mineral Licence Rents over the Orom group of leases per annum as at 30th October 2019.

ML1959 21 years Mining Licence, ± US$56,053 (UGX210 200 000).

EL1025 retained area surrounding ML1959, ± US$8,000.

EL1612 Exploration Licence, ± US$1,760.

EL1173 Exploration area north of EL1025, ± US$3,173.

Blencowe Resources Plc

Blencowe Resources Plc was incorporated on 26 September 2017 and is a United Kingdom public listed company focussing on development of opportunities in the resources sector. Blencowe is domiciled in the United Kingdom and has a wholly owned subsidiary, Consolidated African Resources (Uganda) Limited which has offices in Kampala, Uganda. The registered address in Uganda is Plot 7 Kampala Road, 10th Floor (East) Commercial Plaza, PO Box 29117, Kampala, Uganda. It is registered under 'The Companies Act of Uganda' (Registered Number 133327). Minrom an Independent Consulting Company was appointed to do the Exploration work by CARL.

Geology and Mineralisation

The Project is situated on rocks of Neoproterozoic age. The graphite mineralisation is hosted in the granulite facies rocks of the West-Karamoja Group. These rocks are comprised of metamorphosed mafic igneous and sedimentary sequences of banded granulites, gneiss, schist, charnokite, calc-silicate and sericitic quartzites.

The geology of the area has experienced a number of compressional events result in tight folding with the dominant structures approximately upright and trending north-south. The dominant folds have been re-folded resulting in basin and dome geometry, i.e. double plunging structures.

The graphite mineralisation occurs as tabular shaped deposits. Drilling has confirmed individual graphite-bearing units within the zones with thicknesses that range between 5 m and 36 m (true thickness). The graphite-bearing units within these zones have a general dip of 70° and a dip direction of 225° (southwest). The zones are mainly blanketed by an alluvium cover, which varies from 0 to 15 m in thickness.

Exploration Data

The Project is considered an Advanced Exploration stage project under VALMIN (2015) Code guidelines. To date, four main phases of exploration have been carried out:

- Phase 1 – Mapping
- Phase 2 – Diamond drilling
- Phase 3 – Geophysical surveying; and
- Phase 4 – Trenching.

The sample assay results from the Phase 1 exploration programme can be summarised as follows:

- 184 out of a total of 218 samples were analysed for a total graphitic carbon (TGC) content of > 5 percent
- 68 percent of those samples were above 7 percent TGC
- The highest grade was 15.9 percent TGC.

Six holes were drilled for Phase 2, with 56 percent of each hole being classified and subsequently sampled as a graphite-bearing unit. A visually uniform, good-quality graphitic concentration was found throughout the drill hole ore zone intersections. The graphite intersections were characterised into the following three groups: high grade, medium grade and low grade.

This was followed up by Phase 3 – aeromagnetic and versatile time-domain electromagnetic (VTEM) geophysical surveys, and Phase 4 – trenching of the anomalies. The VTEM anomalies and graphite mineralisation demonstrated a strong correlation. As a result, the high-level exploration potential assessment of the area identified three zones. Zones 1, 2 and 3 have a combined thickness of approximately 1,085 m and a strike length of approximately 55 km.

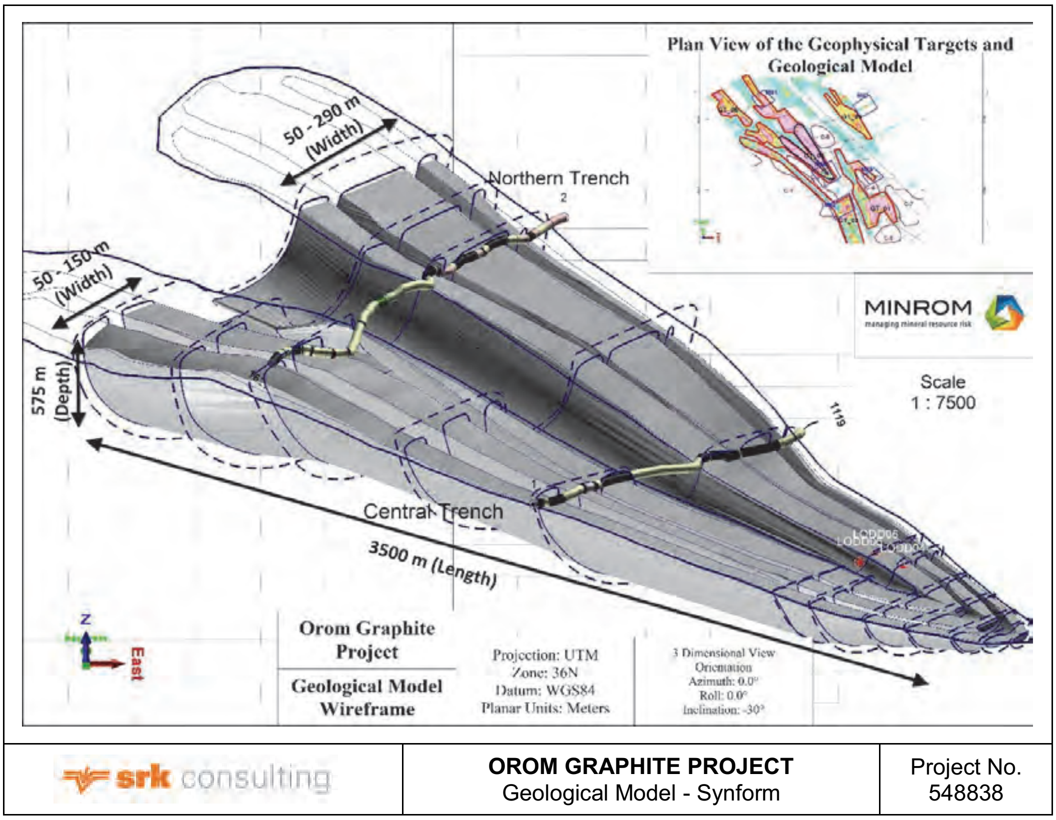
An assessment of sampling protocol and quality assurance and quality control (QAQC) used to obtain the exploration data was carried out by Mr Page of SRK. In SRK's opinion, the exploration data has been prepared to a sufficient quality standard and is reasonable for use in resource estimation.

Exploration Target

The Company prepared an Exploration Target under JORC Code (2012) guidelines for the Project using the exploration data collected from the four exploration phases. The Exploration Target is located at the northern end of the Project area, where the graphitic units form an interpreted syncline fold.

The Orom graphite project comprises abundant jumbo size graphite flake. It contains graphite mineralisation that occurs near surface that, based on similar styles, may easily be mined by open cast operations.

Figure 2 shows an interpretation of the folded exploration target of the mineralisation.



Source: Minrom Report on Orom Graphite project

Figure 2: Folding effects of a single lode

The dimensions of the Exploration Target have been modelled and used for the determination of the grade and tonnage ranges. The graphite mineralisation occurs as tabular shaped deposits.

The dimensions of the weathered and un-weathered graphite mineralisation are as follows:

- weathered zone of graphitic gneiss varies from 50 – 200 m width, has a strike length of 3,500 m and extends to a depth of approximately 20 m below surface; and
- the un-weathered in-situ zone of graphitic gneiss varies from 50 – 200 m width, has a strike length of 3,500 m and extends to a maximum depth of 575 m below surface.

SRK notes that the current Exploration Target only covers a small portion of the available graphite mineralisation within the Project area. There is therefore a large upside potential in terms of the overall size and scale of graphite mineralisation that should allow for sufficient graphite resource to be estimated for future technical mining studies. Blencowe intend to undertake additional exploration drilling and mineral resource estimate work.

The Exploration Target ranges are presented in Table 2.

Table 2: Exploration Target

Part of Deposit	Min. Mt	Min. TGC (%)	Min. GC (%)	Max. Mt	Max. TGC (%)	Max. GC (%)
Top 20 m	26	4.7	4.3	48	8.7	8.1
Below 20 m	675	4.6	4.2	1,254	8.5	7.8
TOTAL	701	4.6	4.3	1,302	8.5	7.8

Note: Reported using a cutoff of 5% TGC. Appropriate rounding has been applied. Min. – minimum; Max. – maximum; Mt – million tonnes; TGC – total graphitic carbon; GC – graphitic carbon.

Note: an Exploration Target is a statement or estimate of the exploration potential of a mineral deposit in a defined geological setting where the statement or estimate is quoted as a range of tonnes and a range of grade (or quality). The potential quantity and grade are conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Metallurgy and Processing

The first phase of flotation testwork was conducted at SGS laboratory in South Africa and showed that flotation processing of the Orom material generated 95 percent graphite recovery into a rougher concentrate with a grade over 57 percent graphite. Cleaner flotation testwork results indicated a product grade of 86 percent graphite at 89 percent recovery without regrind or depressant addition. The testwork included rougher and cleaner flotation with a single stage of attrition regrinding ahead of recleaner flotation.

This first phase of testwork also indicated that Orom graphite has predominantly jumbo and large flakes with low impurities and can upgrade via floatation to a TGC concentrate greater than 93 percent. Due to the limited amount of testwork conducted to date, the graphite recovery is currently only 32%, however, it is likely that additional testwork will improve the recovery and concentrate grade.

A second phase of flotation testwork conducted at Metanza laboratory in South Africa on a composite trench sample grading 5.6% TGC was aimed at generating a concentrate of 94% TGC and was very nearly successful with the final concentrate grading of 93.2% TGC. However, the TGC recovery was low at only 31.7%. This testwork involved crushing to 1mm and then attritioning the crushed sample followed by desliming at 38µm, then rougher flotation and 4 stages of cleaning.

During testwork it was shown that the 4th cleaner flotation stage concentrate did contain material with a TGC% of 94.1% (collected between minutes 1-2), while the cumulative concentrate assay including that stage was 93.5%. This result shows that some concentrate from 4 stages of cleaning does have a grade of 94.1% TGC, however, it is recommended that further testwork (additional cleaner stages and regrind stages) is performed to upgrade more of the concentrate to this grade.

Mineralogical investigations suggest that a significant portion of the contained graphite is coarse. Flake analysis showed that 80 percent of graphite in three samples was in the +212 µm flake length class. This analysis also showed that the smaller flakes were better liberated from the gangue minerals than the larger flakes.

Given the guidelines relating to the reporting of industrial mineral resource estimates under Clause 49 or the JORC Code (2012), Blencowe will be required to undertake additional metallurgical test work and technical marketing to establish reasonable grounds for a saleable product.

Proposed Exploration Work

Blencowe will be looking to develop the Orom project over the next 12 months with specific emphasis on:

- Further drilling to deliver an Industrial Mineral Resource, reported in accordance with the JORC Code (2012) guidelines, and then prepare the project for further studies; and
- Undertake an initial pre-feasibility study to assess the commercial outcome for the project.

Additionally, the Company intends to undertake additional metallurgical testwork to allow a technical marketing program to be undertaken. The Blencowe 2020 work programme is likely to focus on delivering Industrial Mineral Resources for Orom. Infill Diamond drilling will be undertaken to determine the depth and lateral extent of the graphitic horizons included in the Exploration Target area and support the reporting of mineral resource estimates that the Company would most likely consider for the initial period of mining. Blencowe may also drill additional areas along the strike of the deposit with the aim of incorporating as much of the mineralisation into the Mineral Resource estimates. Blencowe will allocate sufficient funds to commence and undertake the planned exploration activities. Blencowe intends to spend between USD 500 000 and USD 1 000 000 on exploration over the next 18 months. Progressive expenditure will be entirely dependent on the success of the proposed exploration activities.

Conclusions

Whilst no mineral resources have been estimated to-date, based on similar but more advanced graphite projects in the neighbouring countries of Tanzania and Mozambique, it is likely that the Project's graphite mineralisation is hosted within abundant weathered surface material, which should be mined using free-dig at depths of less than 20 m, requiring minimal drill and blasting. The mining of the near surface material should result in easily liberated flake graphite, which can be separated from the gangue by conventional crush, grind and flotation processes, resulting in an end-product of high purity graphite concentrate.

Only a small portion of the available deposit has been explored to-date and is included in the current Exploration Target. There is therefore a large upside potential to include additional graphite bearing material by doing further exploration work.

The geophysical and geological mapping work done within the tenure indicates that the graphite mineralisation extends along strike for a considerable distance, which is currently estimated to be approximately 18 km from the current Exploration Target.

Based on limited testwork carried out to-date, the Orom graphite mineralisation has been able to demonstrate that it contains a very high proportion of large, jumbo and super-jumbo flakes with low impurities, which fetches a higher price in the market than the finer graphitic flake material.

During testwork it was shown that the 4th cleaner flotation stage concentrate did contain material with a TGC% of 94.1% (collected between minutes 1-2), while the cumulative concentrate assay including that stage was 93.5%.

The graphite mineralisation can be upgraded to a grade greater than 94 percent TGC concentrate via floatation, including additional cleaner stages and regrind stages performed on the concentrate.

GLOSSARY OF TERMS, ABBREVIATIONS AND UNITS

TERMS

Acid leach	leaching an ore or concentrate with a mineral acid, normally sulphuric acid, to dissolve one or more metals into solution.
Agitation leaching	vigorously mixing a slurry with an acid in a tank, usually sulphuric acid, to promote the dissolution of metal values into solution.
Anticline	rock strata folded to give a convex upward structure.
Argillaceous	term describing sedimentary rocks with a modal grain size in the silt fraction
Assay	the chemical analysis of ore samples to determine their metal content.
Breccia	rocks consisting of relatively large angular fragments of durable minerals or rock in a fine matrix.
Chalcopyrite	an important copper mineral – $Cu_2S.Fe_2S_2$.
Dip	the angle of inclination from the horizontal of a geological feature.
Hydrothermal	process of injection of hot, aqueous, generally mineral-rich solutions into existing rocks or features.
Competent Person's Report (**CPR**)	a report on the technical aspects of a project or mine prepared by a Competent Person (**CP**). The contents are determined by the nature/status of the project/mine being reported and may include a techno-economic model as appropriate for the level of study.
Effective Date	the date of the most recent scientific or technical information included in the technical report.
Diamond drilling	the act or process of drilling boreholes using bits inset with diamonds as the rock-cutting tool.
JORC Code	Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves
Licence, Permit, Right, Lease etc.	any form of licence, permit, right or lease, or other entitlement granted by the relevant Government in accordance with its mining legislation that confers on the holder certain rights to explore for or extract minerals (or both) that might be contained in the designated area. Alternatively, any form of title that may prove ownership/tenure of the minerals.
LECO	The LECO method of estimating total organic carbon (TOC) uses an instrument known as a LECO carbon analyser to measure TOC values by combusting the organic carbon and measuring the resulting carbon dioxide produced. http://wiki.aapg.org/LECO_method_in_estimating_richness.
Material Information	material information is any information relating to the business and affairs of a company that results in or would reasonably be expected to result in a significant change in the market price or value of any of the company's assets. Material information consists of both material facts and material changes related to the business and affairs of a company.
Mineral Deposit (or Deposit)	a mass of naturally occurring mineral material, usually of economic interest, without regard to mode of origin. No commercial value is implied.
Mineral Occurrence	any solid mineral of potential economic interest in any concentration found in bedrock or as float; especially a valuable (or potentially valuable) mineral in sufficient concentration to suggest further exploration.

Mineralisation	a concentration (or occurrence) of material of possible economic interest, in or on the Earth's crust, for which quantity and quality cannot be estimated with sufficient confidence to be defined as a Mineral Resource. Mineralisation is not classified as a Mineral Resource or Mineral Reserve and can only be reported under Exploration Results. The data and information relating to it must be sufficient to allow a considered and balanced judgement of its significance.
Mineralisation	the process or processes by which a mineral or minerals are introduced into rock, resulting in a potentially valuable deposit. It is a general terms, incorporating various types, e.g. fissure filling, impregnation, replacement, etc.
Mineral Resource	a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling.
Orogeny	the complex series of processes which culminate in the formation of mountains.
Overburden	material, usually barren rock overlying a useful mineral deposit.
Review	a systematic and detailed inspection or examination of any element of the Mineral Resource and/or Mineral Reserve estimation process undertaken in order to validate adherence to standards and procedures, identify material errors and/or omissions or improvements. A review might include a detailed examination of the base data. When compliance with the JORC Code is declared, the review must have been conducted by a Competent Person.
Sandstone	medium grained clastic (mechanically formed) rocks composed usually of fragments of quartz in a cementing material.
Saprolite	deeply weathered rock retaining certain of its rock structure but displays extensive chemical modification.
Shale	a fine grained detrital sedimentary rock formed by the compaction of clay, silt or mud.
Silicified	introduction of silica in hydrothermal deposits.
Stratigraphic column	a grouping of sequences of strata onto systems.
Unconformable	sedimentary strata are laid down on top of one another. When deposition ceases for a time and later recommences over the area so that a new sequence of sediments are laid down the new layer is said to be unconformable with one another.
Unconformities	a surface between successive strata representing a missing interval in the geologic record of time and produced either by an interruption in deposition or by the erosion of depositionally continuous strata followed by renewed deposition
VALMIN Code	Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets
Vug	A small to medium-sized cavity inside rock
Weathered Rock	rock which has been broken down by the influence of water and air and which becomes softened and partially decomposed

List of Abbreviations

Acronym	Definition
2-D	2-Dimensional
3-D	3-Dimensional
AAS	Atomic Absorption Spectrometry
ABA	Acid Base Accounting
AIG	Australian Institute of Geoscientists
amsl	above mean sea level
AusIMM	Australasian Institute of Mining and Metallurgy
Blencowe	Blencowe Resources Plc
COV	Coefficient of Variation
CP	Competent Person
Consolidated or CARL	Consolidated Africa Uganda Limited
CPR	Competent Persons' Report
CRM	Certified Reference Material
CSI	Corporate Social Investment
DA	Development Agreement
dB	Decibel
DCF	Discounted Cash Flow
DCS	Distributed Control System
DD	Diamond Drilling
DGPS	Differential Global Positioning System
DTM	Digital Terrain Model
EC	Electric Conductivity
EIA	Environmental Impact Assessment
EL	Exploration Licence
EMPR	Environmental Management Programme Report
FM	Financial Model
Graphite Assets	Graphite Exploration, Mining Tenure or Resources
GC	Graphitic Carbon
HARD	Half Absolute Relative Difference
ICP	Inductive Coupled Plasma
ICP-MS	Inductively Coupled Mass Spectroscopy
ICP-OES	Inductively Coupled Optical Emission Spectroscopy
IDS	Inverse Distance Squared
ISO	International Standards Organisation
LIMS	Laboratory Information Management System
LME	London Metals Exchange
LOM	Life of Mine
LSE	London Stock Exchange plc
Ma	Million Years Before Present
MAP	Mean Annual Precipitation
MAR	Mean Annual Rainfall
ML	Mining Lease
MRE	Mineral Resource Estimate

Acronym	Definition
No.	Number
NPV	Net Present Value.
Project	Orom Graphite Project
PSD	Particle size distribution
QA/QC	Quality Assurance / Quality Control
QC	Quality Control
RD	Relative Density
RL	Retention Licence
RPEEE	Reasonable Prospects For Eventual Economic Extraction
SG	Specific Gravity
SRK	SRK Consulting (South Africa) Pty Ltd / SRK Consulting (Australasia) Pty Ltd
SRK Group	SRK Global Limited.
TGC	Total Graphic Carbon
XRF	X-ray fluorescence

CHEMICAL ELEMENTS

Symbol	Element
Au	gold
Ag	silver
C	Carbon
CO	Carbon Monoxide
NO	Nitrogen Oxide
NO_2	Nitrogen Dioxide
SiO_2	silica
TC	Total Carbon
TGC	Total Graphitic Carbon

UNITS

Acronym	Definition
cm	a centimetre
g	grammes
ha	a hectare
kg	kilogram, one thousand grammes
kg/s	kilograms per second
km	a kilometre (=1 000 metres)
kt	a thousand metric tonnes
kPa	kilopascal
ktpa	a thousand tonnes per annum
ktpm	a thousand tonnes per month
L	litre
lb	a pound (2.204 lb = 1 kg)
m	a metre
m^2	square metre
m^3	cubic metre
mm	millimetre
Ma	a million years before present
Moz	a million ounces
MPa	a million pascals
Mt	a million metric tonnes
Mtpm	a million tonnes per month
Mtpa	a million tonnes per annum
t	a metric tonne (= 1 000 kg)
ppm	parts per million
t/m^3 / tm^{-3}	density measured as metric tonnes per cubic metre
tpa	tonnes per annum
tpm	tonnes per month
USD	United States Dollar
AUD / A$	Australian Dollar
USD/t	US Dollars per tonne
V	volt
°	degrees
°C	Degree Celsius
‘	minutes
%	percentage

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1 Introduction

Blencowe Resources Plc (Blencowe) has commissioned SRK Consulting (South Africa) Pty Ltd (SRK) to prepare a Competent Person's Report (CPR) for inclusion in the Company's Prospectus (Prospectus) in support of its proposed re-admission to the Standard Segment of the Main Market of the London Stock Exchange (LSE).

The Company proposes to lodge the Prospectus in Q4, 2019. SRK understands that the purpose of the Prospectus is to offer up to 50 000 000 shares at an issue price of GBP 0.06 (6 pence) per share, to raise a total of up to GBP3 000 000 before the costs of issue. The mineral asset considered in the CPR is the Orom Graphite Project (Project), which is located in Uganda

The objective of the CPR is to present potential investors with a summary of the nature, history and technical merits of the Project and to provide an opinion on the prospectivity of the Project and planned work program.

The CPR does not comment on the 'fairness and reasonableness' of any transaction between the owners of the Project and any other parties.

Consolidated African Resources Uganda Limited a wholly owned subsidiary of Blencowe is the owner of:

- 100 percent interest in the Mining Lease (ML) 1959 (the Project);
- 100 percent equity interest in EL 1173, which lies northeast of ML 1959; and
- 100 percent interest in EL 1612.

The CPR is addressed to the Directors of Blencowe. SRK understands that the CPR will be set out as an appendix to the Prospectus. For the purpose of the European Securities and Markets Authority (ESMA) Recommendations, SRK is responsible for the CPR as part of the Prospectus. SRK accepts responsibility for the information contained in the CPR. To the best of the knowledge, of SRK, the information contained in the CPR is in accordance with the facts and the CPR makes no omission likely to affect its import.

SRK consents to the inclusion of the CPR and reference to any part of the report in the Prospectus.

The CPR presents SRK's opinion on the technical aspects of the Project, including a summary of the key technical risks and opportunities, and SRK's opinion on the reasonableness of the Company's proposed 12-month technical budget.

The following key Technical Information was used by SRK to support the preparation of the CPR:

- Geological setting of the Project and the associated mineralisation;
- Site inspection of the Project;
- Historical and recent exploration work and technical assessments undertaken at the Project;
- Review of metallurgical testwork; and
- Assessment of the proposed work program and budget.

1.1 Reporting compliance, reporting standard and reliance

1.1.1 Reporting compliance

The Company has voluntarily mandated SRK to prepare the CPR, which is published in accordance with the appropriate Reporting Standard (defined below) and given the permitted time, focuses on the following key items: the physical, operating, regulatory and fiscal environment in which the Project is located, and the key technical risks and opportunities relating to the Project.

SRK accepts responsibility for the CPR in accordance with Section 1b of the ESMA recommendations and paragraphs 131, 132 and 133 and Appendix 2.

1.1.2 Reporting standard

The CPR has been prepared to the standard of, and is considered by SRK to be, a Technical Assessment under the guidelines of the 2015 edition of the Australasian Code for the Public Reporting of Technical Assessments.

The VALMIN Code incorporates the 2012 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves as published by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC Code (2012)).

1.1.3 Reliance on SRK

The CPR is addressed to and may be relied upon by the Directors of the Company, and their nominated advisers, in support of the submission of the Prospectus, specifically in respect of compliance with the Requirements, the Reporting Standard and as appropriate the ESMA Recommendations, and other regulatory requirements.

SRK is responsible for the CPR and for all of the technical information that has been directly extracted from the CPR and reported in any documents associated with the Prospectus to be released by the Company dated around the same date as the CPR. SRK is also responsible for the site inspection, which forms support for reporting of an Exploration Target. Information from SRK's site inspection is based on actual observations and measurements taken in the field and an audit conducted on the drill core sample and core storage facilities after having reviewed all the data, reports and information made available by the Company.

SRK accepts responsibility for the information contained in the CPR. To the best of the knowledge, of SRK, the information contained in the CPR is in accordance with the facts and the CPR makes no omission likely to affect its import.

In accordance with the ESMA Recommendations, SRK confirms that the presentation of information contained elsewhere in the Prospectus which relates to information in the CPR is accurate, balanced and not inconsistent with the CPR.

SRK considers that its opinion must be considered as a whole and that selecting portions of the analysis or factors considered by it, without considering all factors and analyses together, could create a misleading view of the process underlying the opinions presented in the CPR. The preparation of a CPR is a complex process and does not lend itself to partial analysis or summary.

SRK has no obligation or undertaking to advise any person of any development in relation to the Project that comes to its attention after the date of the CPR or to review, revise or update the CPR or opinion in respect of any such development occurring after the date of the CPR and its 'no material change' statement.

1.2 Units and Currency

All units used in the CPR are defined in the Glossary of Terms and conform to the International System of Units (SI, abbreviated from the French Système International (d'unités)).

All financial results are presented in British Pound (GBP) terms, to facilitate reporting for the LSE.

1.3 Base Technical Information, Effective Date and Publication Date

This CPR presents the following base Technical Information for the Project as at the effective date of 30 October 2019 (the Effective Date):

- Overview of the geological setting;
- Site inspection;
- Project geology;
- Outline of the historical and current exploration work;
- Review of all metallurgical testwork;
- SRK's opinion on the mineralisation styles and regional prospectivity; and
- SRK's opinion on the appropriateness of Blencowe's budgeted work program.

As at the publication date of this CPR, this being 30th of October 2019 (the Publication Date), SRK is not aware that any material change has occurred since the Effective Date. This includes, among others, material changes to the Technical Information as reported in this CPR.

1.4 Verification and Validation

The CPR is dependent upon technical, financial and legal input. In respect of the Technical Information as provided by the Company and taken in good faith by SRK, and other than where expressly stated, any figures presented have not been independently verified by means of re-calculation.

Accordingly, the Company has provided technical data (geological information, assay information, exploration programs) to SRK for the purpose of this review and inclusion in the CPR. SRK confirms that it has performed all necessary validation and verification procedures deemed necessary and/ or appropriate by SRK in order to place an appropriate level of reliance on such technical information.

1.4.1 Previous work by SRK at Orom

Neither SRK's Australasian or South African consultancies or the authors have had any prior association with the Project or the Company.

1.5 Limitations

The technical information presented within the CPR relies on assumptions regarding certain forward-looking statements. These forward-looking statements are estimates and involve a number of risks and uncertainties that could cause actual results to differ materially. The projections as presented and discussed herein have been proposed by Blencowe's management and cannot be assured; they are necessarily based on economic assumptions, many of which are beyond the control of the Company. Future cashflows and profits derived from such forecasts are inherently uncertain and actual results may be significantly more or less favourable. Unless otherwise expressly stated all the opinions and conclusions expressed in the CPR are those of SRK.

1.6 Reliance on information

SRK has relied upon the accuracy and completeness of technical, financial and legal information and data furnished by or through the Company.

Blencowe has confirmed to SRK that, to its knowledge, the information provided by it (when provided) was complete and not incorrect or misleading in any material respect. SRK has no reason to believe that any material facts have been withheld. While SRK has exercised all due care in reviewing the supplied information, SRK does not accept responsibility for finding any errors or omissions contained therein and disclaims liability for any consequences of such errors or omissions.

The CPR specifically excludes all aspects of legal issues, marketing, commercial and financing matters, insurance, land titles and usage agreements, and any other agreements and/ or contracts Blencowe may have entered into.

The CPR includes technical information, which requires subsequent calculations to derive subtotals, totals and weighted averages. Such calculations may involve a degree of rounding and consequently introduce an error. Where such errors occur, SRK does not consider them to be material.

1.6.1 Technical Reliance

SRK places reliance on the Company and its technical representatives that all technical information provided to SRK as at the Effective Date (defined below) is accurate.

1.6.2 Financial Reliance

In considering all financial aspects relating to the Project, SRK has placed reliance on the Company that the following information is appropriate as at the Effective Date (defined below):

- Operating expenditures as included in the Company's development strategy and exploration programs;
- Capital expenditures as included in the Company's development strategy and exploration programs; and
- All statutory and regulatory payments and those due to other third parties as may be necessary to execute the Company's development strategy and exploration programs.

1.6.3 Legal Reliance

In consideration of the legal aspects relating to the Project, SRK has placed reliance on the representations of the Company that the following are correct as of the Effective Date (defined in Section 1.3) and remain correct until the Publication Date (defined in Section 1.3):

- The Board of Directors of the Company are not aware of any legal proceedings that may have any influence on the rights to explore, develop and mine the minerals present within and associated with the Orom Graphite Project;
- The legal owners of all mineral and surface rights of the Orom Graphite Project have been verified; and
- No significant legal issue exists which would affect the likely viability of the exploration and production licences as reported herein.

The legal representatives of the Company are Mildwaters Consulting LLP, Walton House, 25 Bilton Road, Rugby, UK CV22 7AG.

1.7 Declaration

SRK will receive a combined fee of approximately GBP 40 000 for the preparation of the CPR in accordance with normal professional consulting practices. This fee is not dependent on the findings of the CPRs or the success of the proposed Admission and SRK will receive no other benefit for the preparation of both CPRs. Neither SRK nor any of the authors have any pecuniary or other interests that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the Project.

Neither SRK nor the Competent Persons (as identified under Section 1.10) who are responsible for authoring the CPR, nor any Directors of SRK have at the date of this Report, nor have had within the previous two years, any shareholding in the Company, the Project, or any other economic or beneficial interest (present or contingent) in any of the assets being reported on. SRK is not a group, holding or associated company of the Company. None of SRK's partners or officers are officers or proposed officers of any group, holding or associated company of the Company.

Further, no Competent Person or Specialist Practitioner involved in the preparation of the CPR is an officer, employee or proposed officer of the Company or any group, holding or associated company of the Company. Consequently, SRK, the Competent Persons and the Directors of SRK consider themselves to be independent of the Company, its directors and senior management.

In the CPR, SRK provides assurances to the Board of Directors of the Company, in compliance with the Reporting Standard that the Exploration Target as provided to SRK are reasonable, given the information currently available.

1.8 Consent

SRK will give its written consent to the inclusion of the CPR in the Prospectus and all of the information to be contained in any published documentation associated with the Prospectus which has been extracted directly from the CPR.

1.9 Indemnities provided by the Company

Blencowe has warranted, in writing to SRK, that full disclosure has been made of all material information and that, to the best of its knowledge and understanding, such information is complete, accurate and true. As recommended by the VALMIN Code, Blencowe has provided SRK with an indemnity under which SRK is to be compensated for any liability and/ or any additional work or expenditure resulting from any additional work required:

- which results from SRK's reliance on information provided by Blencowe or from Blencowe not providing material information; or
- which relates to any consequential extension workload through queries, questions or public hearings arising from the CPR.

In addition, Blencowe has provided the following indemnity to SRK:

In order to assist SRK in the preparation of the CPR, the Company may be required to receive and process information or documents containing personal information in relation to SRK's project personnel. The Company has agreed to comply strictly with the provisions of the Data Protection Act 1998 of the United Kingdom (DPA 1998) and all regulations and statutory instruments arising from the DPA 1998, and the Company will indemnify and keep indemnified SRK in respect of all and any claims and costs caused by breaches of the DPA 1998.

1.10 Qualifications of Consultants and Competent Persons

The SRK Group comprises over 1,400 staff, offering expertise in a wide range of mining and resource engineering disciplines with 45 offices located on six continents. The SRK Group prides itself on its independence and objectivity in providing clients with resources and advice to assist them in making crucial judgment decisions. For SRK this is assured by the fact that it holds no equity in either client companies/subsidiaries or mineral assets.

SRK has a demonstrated track record in undertaking independent assessments of resources and reserves, project evaluations and audits, Competent Persons' Reports, Mineral Resource and Ore Reserve Compliance Audits, Independent Valuation Reports and independent feasibility evaluations to bankable standards on behalf of exploration and mining companies and financial institutions worldwide. SRK has also worked with a large number of major international mining companies and their projects, providing mining industry consultancy service inputs. SRK also has specific experience in commissions of this nature.

The CPR has been prepared based on a technical and economic assessment by a team of consultants sourced from SRK's offices in Australia and South Africa. These consultants have extensive experience in the mining and metals sector and are members in good standing of appropriate professional institutions. The consultants comprise specialists in the fields of: geology and resource estimation (Technical Disciplines).

The information in the CPR that relates to the Project is based on and fairly represents, information and supporting documentation compiled by Dr Michael Cunningham, Principal Consultant (Geology and Resources), Mr Jeremy Ison, Associate Principal Consultant (Metallurgy), and Mr Alan Page, Principal Consultant (Geology). Internal peer review was conducted by Mr Mark Wanless, Principal Consultant (Geology and Resources).

The Competent Person who undertook the review of geology, exploration target, the veracity of the exploration data, and takes overall responsibility for the CPR is Dr Michael Cunningham. Dr Cunningham is a geologist with 17 years' experience in the mining and metals industry, including operational experience in in geological and geometallurgical modelling and the estimation and public reporting of mineral resources. He has expertise in amorphous, vein/lump and flake graphite industrial mineral deposits. As such he qualifies as a Competent Person as defined in the JORC Code (2012) and as a Specialist Practitioner as defined in the VALMIN Code (2015).

The Competent Person who determined the Exploration Target, and takes responsibility for the Exploration Target, is Mr Dexter Ferreira. Mr Ferreira is a consultant and director of Independent Resource Estimations. He is a Professional Natural Scientist with the South African Council for Natural Scientific Professions (SACNASP registration number: 400048/03), which is a Recognised Professional Organisation by the ASX. He is a Competent Person as defined by the JORC Code 2012 Edition, having 5 years' experience that is relevant to the style of mineralisation and type of deposit described in the Report, and to the activity for which he is accepting responsibility for.

The Competent Person who undertook the geology review and site visit to the Orom Graphite Project, and a review of the quality assurance-quality control of the exploration data was Mr Alan Page. He has a BSc (Hons) in geology and is a registered Professional Natural Scientist (Geological Science) (Pr. Sci. Nat. Reg. No. 400022/07) and is a member of the Geological Society of South Africa. Mr Page is a geologist with 30 years' experience in the mining and metals industry, including exploration, mining, resource estimation and in the consulting industry. In addition to having multi-commodity experience he has specific expertise in amorphous flake graphite industrial mineral deposits. As such he qualifies as a Competent Person as defined in the JORC Code (2012).

The Competent Person who undertook the metallurgical testwork review was Mr Jeremy Ison. He is a process engineer with over 15 years' experience in the mining and metals industry, including operational experience geometallurgical modelling and plant process. He has expertise in amorphous flake graphite industrial mineral deposits. As such he qualifies as a Competent Person as defined in the JORC Code (2012).

The Competent Person who has overall responsibility for the peer review of the CPR is Mr Mark Wanless, who is a Principal Consultant at SRK. Mr Wanless is a Competent Person who is a fellow of the GSSA and has 22 years' experience in the mining and metals industry and has been involved in the preparation of Competent Person's Reports comprising technical evaluations of various mineral assets internationally during the past 17 years. He has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code (2012) and a Specialist Practitioner as defined in the VALMIN Code (2015).

Messrs Cunningham, Page, Ison, Wanless and Dexter consent to the inclusion in this CPR of the matters based on the information and in the form and context in which it appears.

Table 1-1 provides a summary of the designated Competent Persons and other key contributors for completion of the CPR.

Table 1-1: Consultant Contributors' Responsibility

Name	Position	Responsibility	Site inspection	Professional Designation
Michael Cunningham[1]	Prinicpal Consultant (Geology)	Overall CPR	None	PhD, BSc (Hons), FGSL, MAusIMM, MAIG, MGSA
Dexter Ferreira[5]	Director (Independent Resource Estimations)	Competent Person (Exploration Target)	None	BSc, BEng, MBA, Pr. Sci. Nat, SACNASP
Jeremy Ison[3]	Associate Principal Consultant (Metallurgy)	Metallurgy and Processing	None	BEng, MAusIMM, MSAIMM
Alan Page[4]	Principal Consultant (Geology)	Geology/ Site visit	1 to 6 July 2019	BSc Hons Pr. Sci. Nat, SACNASP
Mark Wanless[4]	Principal Consultant (Geology)	Peer Review (CPR)	None	BSc Hons Pr. Sci. Nat, SACNASP

Notes:

[1]SRK Consulting, Level 1, 10 Richardson Street, West Perth, WA 6005

[2]SRK Consulting, Level 20, 31 Queen Street, Melbourne, VIC

[3]Independent SRK Consultant.

[4]SRK House, 265 Oxford Road, Illovo, 2196, Johannesburg.

[5]Independent Resource Estimations (IRES), 430 Ashmead Drive, Ramsgate, 4285, South Africa.

1.11 SRK Verification

Site Inspection

Mr A Page from SRK's South African office visited the Project from the 1st to the 6th of July, 2019, accompanied by Mr J P van den Berg, a representative of Minrom Pty Ltd, a consultancy company, who were engaged by the Company to undertake geological exploration.

Mr A Page conducted the following tasks during the site inspection:

- Discussed all the graphite exploration work with the Minrom geologist and verified completed work;
- Examined the core storage facility next to the Police Station in Kitgum, where all 650m of the drill hole core is stored in a secure metal container. The reference half of the sampled core has been retained by Minrom;
- Checked all the Minrom drill hole logs against the drill core, logged and photographed the drill hole core from two strongly mineralised drill holes (LODD04 and LODD06);
- Examined the marking, core losses and sampling of the drill hole core and the procedures Minrom used;
- Inspected, confirmed, and measured all 6 of the exploration drill hole collar positions in the project area. A Garmin Montanna 650 handheld GPS was used by SRK to do the check measurements;
- Inspected visible outcrops of the graphite mineralisation in the project area;
- Traversed, examined and confirmed the presence of the Central and Northern exploration trenches in the project area and measured their approximate locations;
- Reviewed the trench sampling procedures used;
- Examined the different visible graphite outcrop exposures. The continuity of the graphite mineralisation across the project area was confirmed;
- Examined and verified the geological mapping in the project area and their geological interpretation of the deposit; and
- Reviewed the geological sections compiled by Minrom;

Data Assessment

- Mr J Ison assessed the reports on the metallurgical test work done, which included grading analysis from samples (SGS), flake size analysis (SGS), and rougher staged cleaning test work (SJT, Maelgwyn);
- Dr M Cunningham assessed and commented on the high-level Exploration Target grade and tonnage that has been determined by Mr D.S Ferriera of IRES;
- Mr A Page assessed and validated all the data related to the exploration project that was supplied by Minrom, including the following: geological maps, the sample assay values and test results; and
- Alan reviewed all the available Quality Assurance and Quality Control (QA/QC) data.Company Overview.

2 Company Overview

2.1 Introduction

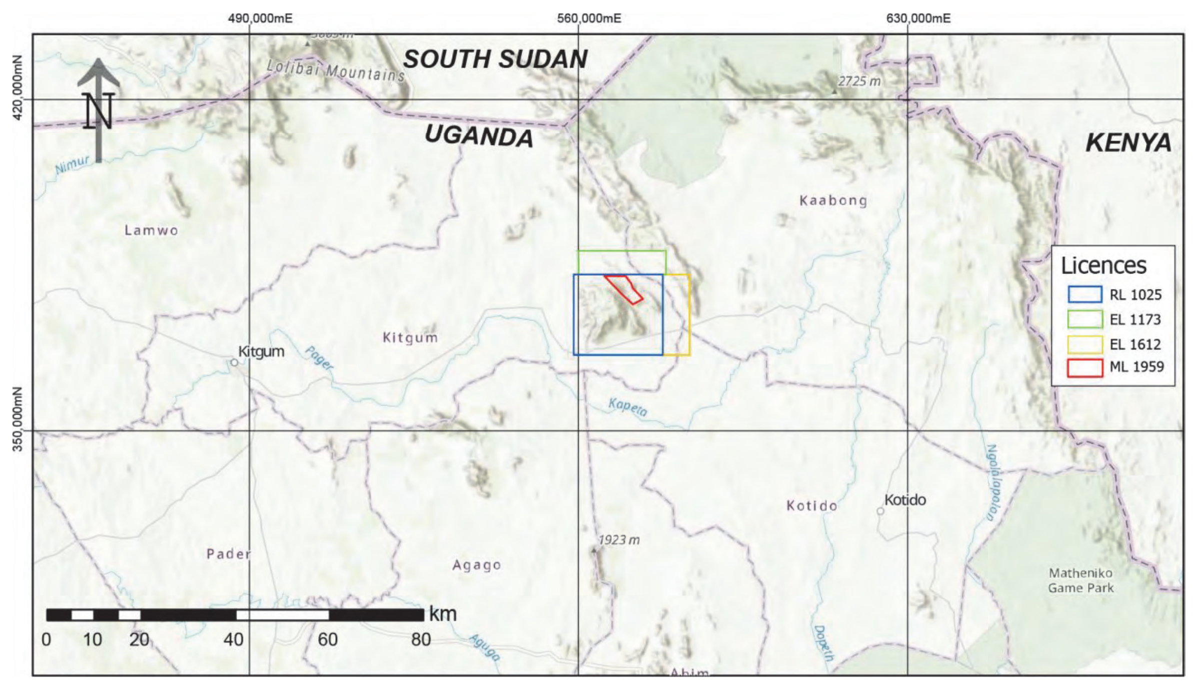
Blencowe Resources plc (Blencowe) was incorporated on 26 September 2017 and is a United Kingdom public listed company focussing on development of opportunities in the resources sector. Blencowe is domiciled in the United Kingdom and has a wholly owned subsidiary, Consolidated African Resources (Uganda) which has offices in Kampala, Uganda. The registered address in Uganda is, Plot 7 Kampala Road, 10th Floor (East) Commercial Plaza, PO Box 29117, Kampala, Uganda. It is registered under 'The Companies Act of Uganda' (Registered Number 133327). The Orom Graphite Project (Project) comprises 2 granted Exploration Licences (EL), and one granted Mining Lease (ML), in the central African nation of Uganda (Figure 2-1). The Company has also applied for a Retention Licence for their previously held EL 1025.

srk consulting	**OROM GRAPHITE PROJECT** Location of the Orom Graphite Project in Uganda	Project No. 548838

Figure 2-1: Location of the Orom Graphite Project, Uganda

Source: Minrom, J.P. Van Den Berg

The Project is located in the Akuromo Parish, in the Orom sub-county of the Kitgum District in northern Uganda (Figure 2-2).



srk consulting	**OROM GRAPHITE PROJECT** Location Map showing tenure	Project No. 548838

Figure 2-2: Orom Graphite Project tenements

Background Source: Esri, HERE, Garmin, FAO, NOAA, USGS, © OpenStreetMap.
RL – application for Retention Licence; EL – Exploration Licence; ML – Mining Lease

3 The Graphite Market

3.1 Characteristics of Graphite

Graphite is formed by metamorphism of organic matter in sedimentary units. It is a natural form of carbon (chemical formula C) and is characterised by its hexagonal crystalline structure. The two main forms of graphite are natural and synthetic. Graphite's key physical and chemical characteristics include:

- High melting temperature;
- Stability and strength at high temperatures;
- High thermal and electrical conductivity;
- Chemically inert;
- High resistance to thermal shock;
- High conductivity of solid; low conductivity of porous foam, cloth and tape;
- Low co-efficient of thermal expansion;
- Good electrical conductivity. It is the only non-metal that is a good conductor of electricity;
- High radiation emissivity;
- Flame retardant;
- High compressive strength;
- Stiffness of solid; flexibility of filament, cloth or tape;
- High resistance to erosion;
- Good machinability;

- Low friction; self-lubrication; and
- High resistance to chemical attack and corrosion.

Natural and synthetic graphite is processed at temperatures of up to 2,500°C to produce high purity graphite with up to 99.9 percent Total Graphitic Carbon (TGC). This permits the introduction of selected promoter elements, such as boron and silicon into the graphite structure (Harben 1999; Crossley 2000), which enhances its consistency, lubricant properties and conductivity. Whilst crystalline graphite is preferred for making crucibles, amorphous graphite is used in foundry facings, steelmaking and refractories.

Natural graphite also has a low co-efficient of friction rendering it suitable for coatings, pencils, powder metallurgy, refractories, lubricants and batteries. Low quality graphite can also be used in high technology applications, which were once the domain of synthetic material.

Natural graphite offers significant cost advantages over synthetic graphite, but limited recycling capacity as it tends to be gradually consumed during use in applications such as refractories or brake linings. However, recycling applications include renewal of used electrodes or as substitutes for amorphous graphite. Hence, the use of recycled graphite refractories in such products as brake linings and thermal insulation is growing, but due to the abundance of natural graphite in the world markets, there is no great incentive or value at present for recycling graphite on a mass scale.

Substitution of graphite by other minerals is currently low as no mineral is so versatile and with such unique and important physical and chemical properties.

3.1.1 Flake Graphite

For natural graphite, there are three main forms of commercial significance (Harben and Kužvart, 1996):

1. **Flake (or crystalline/ disseminated flake);**
2. Crystalline vein (or lump); and
3. Amorphous (microcrystalline).

For the purposes of this report, SRK has only provided details relating to Flake graphite as this is the only form occurring within the Project.

The formation of graphite flake occurs from an amorphous precursor in rocks at or beyond amphibolite grade metamorphism (Landis, 1971). It occurs as flat, plate-like crystals with angular rounded or irregular edges, typically disseminated throughout an originally carbonaceous meta-sedimentary horizon. Host rocks principally include quartz-mica schist, feldspathic or micaceous quartzite and gneiss.

Flake graphite deposits are usually stratabound with individual beds or lenses ranging in thickness from 30 cm to more than 30 m and can extend over strike lengths of > 2km or more. Mineralised zones are normally tabular, occasionally lenticular and occur locally as irregular bodies in the hinge zones of folds. Most economic deposits of flake graphite are of Archean (4 to 2.5 billion years) to late Proterozoic (540 million years) age. These rocks may contain up to 90 percent graphite, although 10 to 15 percent is more typical. Flake sizes can range from 1 to 25 mm with an average size of 2.5 mm.

The main regions of occurrence outside China are:

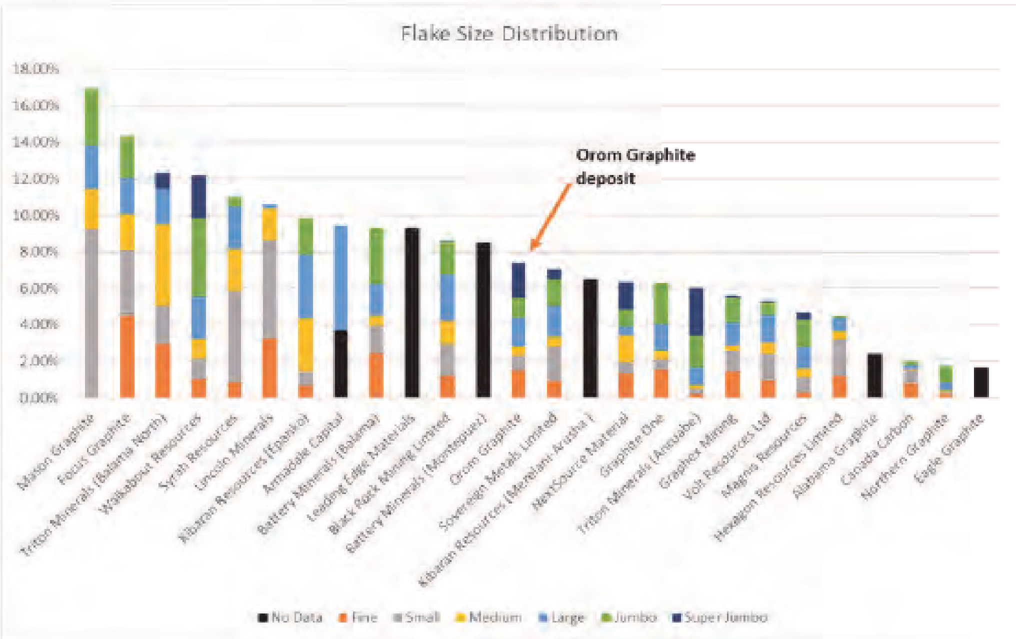
1. East Africa;
2. Europe; and
3. North America.

Commercially, flake graphite is divided into coarse and fine or super jumbo to fine (Table 3-1). Fine flake may be further sub-divided into medium flake, fine flake and powder. Impurities including minerals commonly found in metasedimentary units, usually quartz, feldspar, mica, amphibole, garnet and calcite, with occasional amphiboles, pyrrhotite, pyrite and magnetite.

Table 3-1: Flake classification by size

Flake Type	Microns	Mesh (µm)
Super jumbo	>500	<35
Jumbo	300-500	35
Large	180-300	50
Medium	150-180	80
Fine	75-150	100
Amorphous	<75	<200

Figure 3-1 shows the favourable comparison of the Orom Project to its peers.



srk consulting	**OROM GRAPHITE PROJECT** Flake size distributions and TGC percent for current graphite projects	Project No. 548838

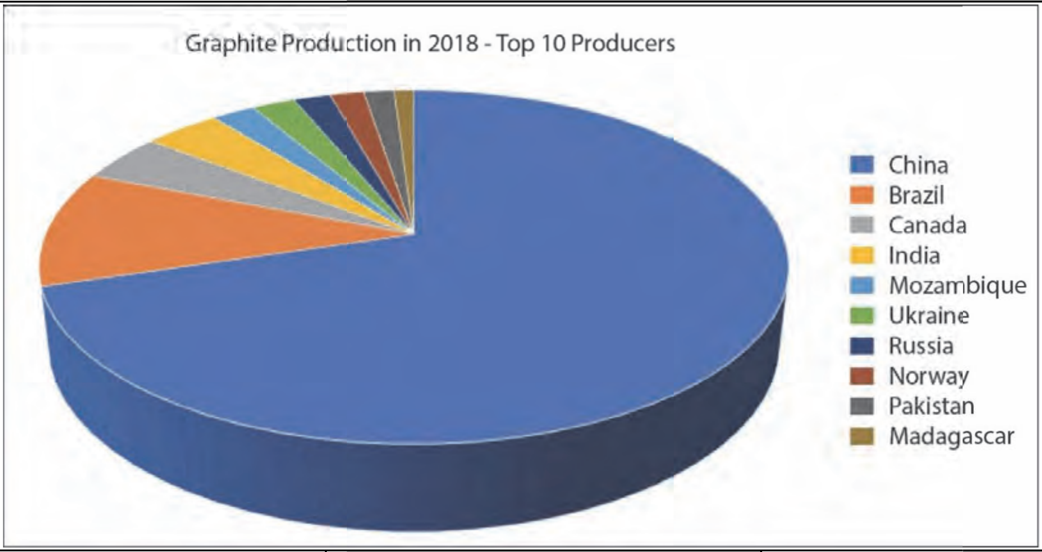
Figure 3-1: Flake size distributions and TGC percent for a number of current graphite projects

Source: Minrom Report on the Orom Graphite project

From limited testwork, the project mineralisation has a medium TGC percentage relative to that of other current graphite projects, and has a high concentration of large, jumbo and super jumbo flakes (± 75 percent) compared to other significant current graphite projects as shown above.

3.2 Graphite Supply

China is the world's largest producer of graphite (Figure 3-2). The majority of graphite mining is centered on Hellongjiang in the northeast and Shandong in east China. Mines located in the north are adversely affected by weather and tend to close during winter. As a result, the global market is affected by seasonal availability of supply leading to tightening prices during the northern hemisphere's winter period. Graphite deposits in China are not publicly reported despite China having the largest graphite reserves and production capacity, currently producing around 75 percent of the world's supply.



srk consulting	**OROM GRAPHITE PROJECT** Major Graphite Producers	Project No. 548838

Figure 3-2: Major Graphite producers in 2018

Source: USGS, 2019

Graphite from China however is declining in quality as easily mined surface oxide deposits are being depleted. Additionally, the costs of production are increasing as mines become deeper, compounded by increasing costs from tightening labour and environmental standards. Outside of China, the largest graphite projects occur in Mozambique and Tanzania, an area noted for large, high purity flake, and Brazil.

3.3 Graphite Demand

Global demand for natural graphite doubled between 2006 and 2012 and has been steadily increasing since 2013 and into 2018. China and India are the largest producers, accounting for over 70 percent of the global production. During 2018, China produced over 70 percent of the world's natural graphite (56 percent was flake and 44 percent was amorphous). Whilst China does produce some large flake graphite, the majority of its production is very small (i.e. 200-mesh range). Other major natural graphite suppliers are Canada, North Korea, Mexico (amorphous), India and Brazil (USGS, 2019).

Over 80 percent of graphite demand is driven by industrial applications with the dominant market (39 percent of demand) being refractories, which in turn is 70 percent dependent on steel production. A significant and growing portion of demand is also tied to hi-tech applications through their use in batteries as an anode material with batteries being the fastest growing market for graphite with growth driven by 15 to 25 percent demand a year, as a result of increasing consumption of portable electronics (e.g., mobile phones, smartphones and tablets).

It is forecast that growth in graphite demand will be primarily driven by refractories demand from the construction and car manufacturing industries. Batteries will probably see the greatest growth as a result of portable technology that will require larger and more powerful graphite intensive batteries. Fully electrical vehicles that require batteries of 10 kWh and above are forecast to have a major impact on volume. Predictions are that the battery sector will increase market share of graphite consumption from about 8 to 10 percent over the near to medium term.

3.4 Graphite Production and Supply

Natural graphite production was estimated to be 1.2 Mt in 2017, of which approximately 0.8 Mt was flake graphite mainly produced in China. Spherical graphite production is estimated to have been about 35 kt in 2015, which equates to approximately 80 kt of natural graphite flake. Table 3-2 shows most recent figures from the USGS with China dominating production.

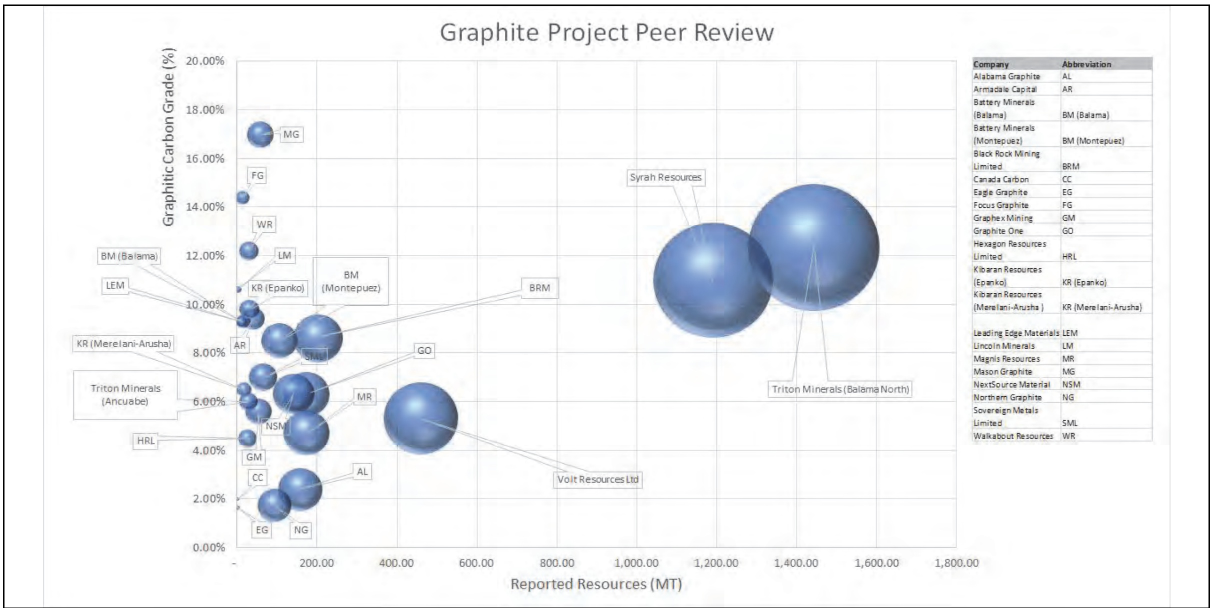
Current estimates of inferred graphite resources exceed 800 million tonnes of recoverable graphite. A number of new graphite deposits are being developed in Madagascar, Mozambique, Namibia and Tanzania. For example, in 2017, a number of mines in Tanzania began sampling production, and Syrah's Balama graphite deposit in Mozambique commenced operations at the start of 2018. The Balama deposit is reportedly the largest natural flake graphite mine globally, with an expected mine life of 50 years.

Table 3-2: Graphite production and reserves

Country	Mine Production		Reserves (tonnes)
	2017	2018	
Brazil	90,000	95,000	72,000,000
Canada	40,000	40,000	(1)
China	625,000	630,000	73,000,000
India	35,000	35,000	8,000,000
Korea, North	5,500	6,000	2,000,000
Madagascar	9,000	9,000	1,600,000
Mexico	9,000	9,000	3,100,000
Mozambique	300	20,000	17,000,000
Namibia	2,220	2,200	(1)
Norway	15,500	16,000	600,000
Pakistan	14,000	14,000	(1)
Russia	17,000	17,000	(1)
Sri Lanka	3,500	4,000	(1)
Tanzania	—	—	17,000,000
Turkey	2,300	2,000	90,000,000
Ukraine	20,000	20,000	(1)
Vietnam	5,000	5,000	7,600,000
Zimbabwe	1,580	2,000	(1)
Other	1,900	4,000	(1)
World total	897,000	930,000	300,000,000

Source: USGS 2019, (1) Included with World total, Figures rounded

Recent exploration has focussed on flake graphite mainly in Mozambique, Tanzania, Canada and Australia; this activity has delineated in excess of 3.7 billion tonnes in Mineral Resources containing approximately 350 Mt of graphite (Figure 3-3). The largest deposits are in Mozambique and Tanzania. Triton Minerals Limited (ASX: TON) and Syrah Resources Limited (ASX: SYR) have each reported Mineral Resources of some 166 Mt (Triton, ASX Release, 14 December 2017) and 147 Mt (Syrah, ASX Release: 29 March 2019) of contained graphite respectively in Mozambique. While Volt Resources Limited (ASX: VRC) and Black Rock Mining (ASX: BKT) have both reported significant resources of 22.5 Mt (Volt Resources, ASX Release 12 October 2016) and 16.6 Mt (Black Rock Mining, ASX Release 08/08/2017) respectively in Tanzania. The major uses of graphite in 2016 were brake linings, foundry operations, lubricants, refractory applications and steelmaking (USGS, 2016). However, it is predicted that refractories will remain the main demand driver for natural graphite.



srk consulting	OROM GRAPHITE PROJECT Top 10 graphite projects in the world	Project No. 548838

Figure 3-3: Bubble diagram illustrating the size (in tonnages reported) and grade of graphite deposits around the world

Source: Minrom, J.P. Van Den Berg

Note: The callout labels show the name of the deposit while the bubble size indicates the deposits respective tonnages (relative to one another).

3.4.1 Factors Impacting Graphite Pricing

Graphite prices are determined by a number of factors and may be subject to significant fluctuations. Influencing factors on price include:

Macro-economic factors

- The level of production costs in major graphite producing regions;
- Expectations regarding inflation, interest rates and US dollar exchange rates;
- Supply and demand fluctuations for graphite;
- Changes in investor sentiment toward graphite;
- Speculative trading;
- Technological advancements;
- Forward selling activities; and
- Macro-economic factors such as inflation and interest rates.

Under Clause 49 of the JORC Code (2012), graphite is considered to be an industrial mineral as estimates of the quality and quantity of graphite are defined by their specification. As such, the Company will need to undertake a technical marketing campaign before it can make an assessment of its market outlook.

Micro-economic factors applicable to graphite

The following are important aspects for evaluation of graphite mineralisation:

- head grades that can be obtained;

- the level of impurities that occur in the graphite;
- ability to upgrade the total graphitic carbon percent by metallurgical processes; and
- the proportionate percentages of the different graphite flake sizes, where jumbo flakes mostly obtain higher prices, with decreasing prices received for decreasing flake sizes.

4 The Mining Industry in Uganda

4.1 Geography

The country of Uganda has an estimated population of 44,649,479 (Worldometers, 2019).

. The total land area is approximately 240,000km^2, with a population density of 229 per km^2. The land-locked country lies between longitudes 29° 30'E – 35° 00'E and latitudes 4°N - 1°S and is bordered on the north by South Sudan, on the east by Kenya, on the south by Tanzania and Rwanda, and on the west by The Democratic Republic of Congo.

4.2 Production and Manufacturing

The country of Uganda accounts for 4 percent of the World's mine production of pumice and pumicite. It also produces aggregates, brick clay, cement, refined cobalt, gold, iron ore, kaolin, refined lead, limestone, niobium (columbium), salt, steel, tantalum, tin, tungsten, and vermiculite.

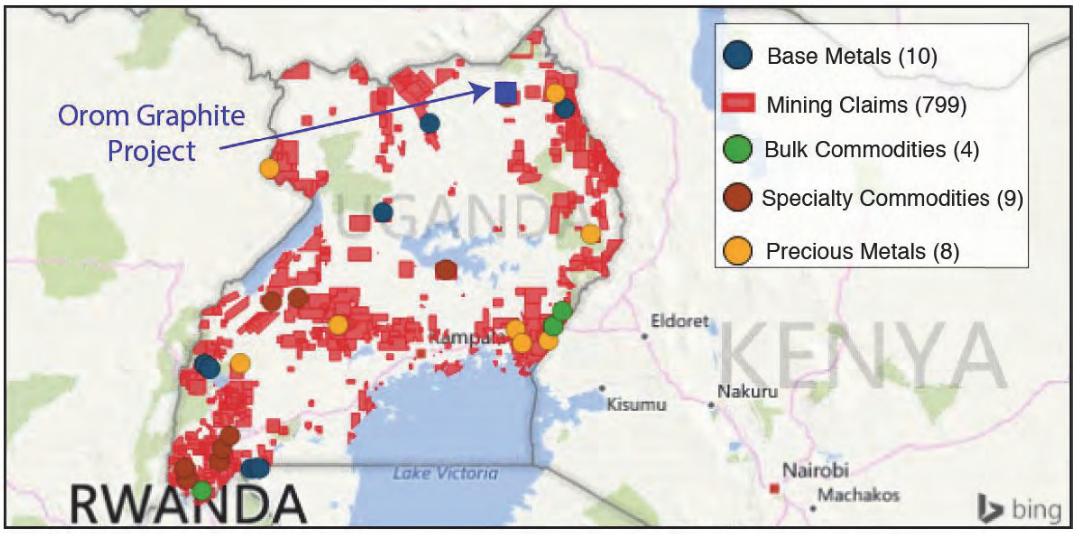
In 2015, the manufacturing sector accounted for 8.5 percent of the gross domestic product, and mining and quarrying, 0.7 percent (USGS, 2015). The value of output in the mining and quarry sector increased by 16.9 percent in 2015, which compares favourably with 12.9 percent in 2014.

4.3 Exploration Activity

There are approximately 799 mining claims in Uganda covering an area of about 59,739km2. These occur mainly near the border with Kenya (in the east), and to the west and southwest of the capital city of Kampala (Figure 4-1). According to the S&P Global Market Intelligence, the exploration spend in Uganda for 2018 was $1.6 million (from 3 projects). This is down from a high of $3.6 million in 2015 but a slight increase from $1.1 million in 2017. The mining industry in Uganda is predicted to expand in the next few years with the restart of copper and phosphate rock mining. In addition, the expansion of iron ore mining, and the opening of downstream processing plants for phosphate rock and steel should result in significant growth in in the longer term. The viability of crude and refined petroleum production will also have a significant influence on economic growth.

Most mining and mineral processing facilities are privately owned, including cement and steel plants, the lead refinery, and the vermiculite mine. Artisanal miners produced pozzolanic materials in the Kabarole district, gold in the Mubende district, and salt at Lake Katwe.

The Ugandan Government is actively seeking to increase the participation of resources in the overall economic activity and is generally supportive of bringing new mining ventures into production, which provides a positive sentiment for sovereign risk.



srk consulting	OROM GRAPHITE PROJECT Mine Claims - Uganda	Project No. 548838

Figure 4-1: Distribution of Mining Claims and location of the Project

Source: S&P Global Market Intelligence, 2019

There are locally based drill contractors in Uganda, who undertook the exploration work on the Project.

4.4 Uganda Regulatory Environment

The Ministry of Energy and Mineral development is responsible for issuing exploration and mining licenses and administering the Mining Act (2003). The Department of Geological Survey and Mines (GSMD) is an integral part of the Ministry of Energy and Mineral Development and is based in Entebbe. It is responsible for administering the Mining Act and its regulations

According to the laws of Uganda under the Company's Act No. 1 of 2012, section 125; a Company duly registered in Uganda is required at least once every year to make a return containing the situation of the registered office of the company and registered postal address of that office.

Ownership of all mineral resources is vested in the state to be held in trust for the people of Uganda and their use and exploitation is covered by the Mining Act and the regulations made thereunder. Accordingly, the right to prospect, mine or explore mineral resources is granted by the Sate subject to terms and conditions in the Mining Act.

The mineral rights licences come in five forms:

Prospecting Licence. A general licence enabling the holder to prospect for suitable mineral exploration areas anywhere in the country, except in areas of existing mineral licences, National Parks or Game Reserves. A company may only prospect if it employs at least one individual with such a licence who must also act as an agent for the company.

Exploration Licence. Issued to a Ugandan citizen or company registered in Uganda, who must hold a valid Prospecting Licence, with any individual or company allowed to hold one exploration licence if suitable financial resources can be demonstrated. ELs cover rectangular areas not exceeding 500km^2 and are exclusive for the stated minerals within the area granted. The licence gives the holder right of access and the right to camp within the licence. They cannot overlap an existing retention licence or mining lease. They are issued for up to three years and renewable for two periods of two years each, with a 50% reduction in area with each renewal. The application process is thorough and must include a detailed program with proposed employment of Ugandans and potential environmental impacts. On expiry a company should apply for a retention licence or mining lease.

Retention Licence. This applies to an area covered by an exploration licence on which the holder has made a discovery but cannot immediately develop it.

Mining Lease. These are issued where mining is justified, through a full feasibility study with environmental impact assessment submitted to the government. There is no maximum or minimum size, though the licence must be rectangular. The licence gives the right to mine or sell stated minerals within the area granted, and the right to establish a camp, plant and dumps within the licence. The lease has an initial term of up to 21 years, renewable for no more than 15 years.

Location Licence. This is intended for small-scale mining.

4.5 Consolidated Uganda's Title and Rights

Information on the mineral rights applicable to the Project were provided to SRK by Blencowe.

The Company, upon application and fulfilment of the terms and conditions prescribed in the Mining Act, was granted Exploration Licences for a duration of 3 years for graphite, gold, zinc and mica.

An application made by the Company to renew EL 1025 was granted and renewed for a period of 2 years effective 8th August 2017. The EL was renewed with the same terms and conditions as relating to the area and size.

Mining Lease 1959 covering an area of 20.97 km^2 within RL 1025, was awarded to the Company on 20th June 2019 for a period of 21 years, to develop and mine graphite, see Table 4-1 and Figure 4-2.

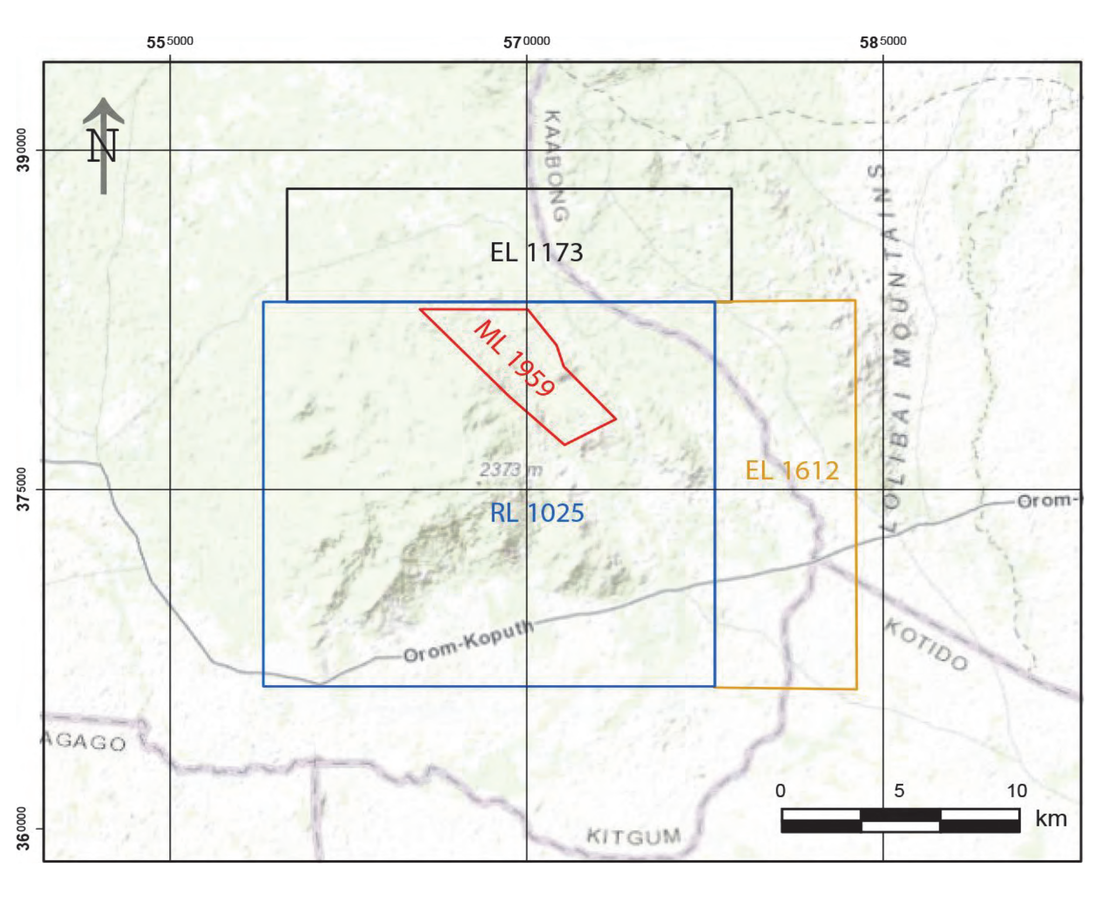
A summary of Consolidated Uganda's tenure is shown in Table 4-1 below.

Table 4-1: Tenement Schedule

Licence Type	Licence Number	Area km^2	Registered Holder	Granted	Expiry	District	Comment
RL	1025	325.56	CARL	8 Aug 2015	7 Aug 2019	Kitgum, Kaabong	Part of the original EL1025 converted to ML1959. The remaining area has expired but the Company has applied for a RL.
EL	1173	96.54	CARL	8 Jul 2015	7 Jul 2020	Kitgum, Kaabong	Current, renewed on 8 Aug 2018
EL	1612	101.4	CARL	14 Nov 2016	13 Nov 2019	Kitgum, Kotido, Kaabong	Converted from TN2390
ML	1959	~20.97	CARL	20 Jun 2019	19 Jun 2040	Kitgum	

Notes:
RL – Retention Licence; EL – Exploration Licence; ML – Mining Lease;
CARL – Consolidated African Resources (Uganda) Limited
Annual Mineral Licence Rents over the Orom group of leases per annum as at 30th October 2019.
ML1959 21 years Mining Licence, ± US$56,053 (UGX210 200 000).
EL1025 retained area surrounding ML1959, ± US$8,000.
EL1612 Exploration Licence, ± US$1,760.
EL1173 Exploration area north of EL1025, ± US$3,173.

The location of the Company's tenure is illustrated in Figure 4-2.



srk consulting	**OROM GRAPHITE PROJECT** Mine Claims - Uganda	Project No. 548838

Figure 4-2: Location map showing tenure and application for RL 1025

Note: EL – Exploration Licence, ML – Mining Lease, RL – Retention Licence (currently in application)

5 Orom Graphite Project

5.1 Introduction

The Project lies within the Orom District, of northern Uganda. The Project tenure encompass an area of approximately 520 000 hectares stretching from Latitude 3°18’40’ to 3°30’40’ N and from Longitude 33°31’50’ to 33°45’40’ E. Access to site is approximately 28km via the Kidepo-Gulu road from Orom consisting of unsealed gravel roads.

Work to date has outlined graphite mineralisation at the Project associated with deformed Neoproterozoic graphitic gneisses and schists. The Project’s Exploration Target is centred at Latitude 3º 23’ 30’ N and Longitude 33º 37‘00’ E within Mining Lease (ML1959) and a previous Exploration Licence which is now under application for a Retention Licence (RL1025).

Since acquiring the Project in 2012, the Company has undertaken the following exploration activities:

- Field mapping;
- Geophysical surveys (VTEM and Aeromagnetic);
- Geological logging and geochemical analyses of drill core samples;
- Geological logging and geochemical analyses of trench samples;
- Metallurgical testwork of composites; and
- Determination of Exploration Target ranges.

5.2 Location, Access and Infrastructure

The Project is located approximately 6 km east (in a straight line) of the town of Orom and 75 km northeast of the town of Kitgum in northern Uganda (Figure 5-1).

The Project can be accessed from the southwest via 104 km of road from Gulu to Kitgum (Orom-Koputh road) and thereafter by 87 km of gravel roads. The nearest large settlement to the Project is the village of Orom, located in Chua East Country.

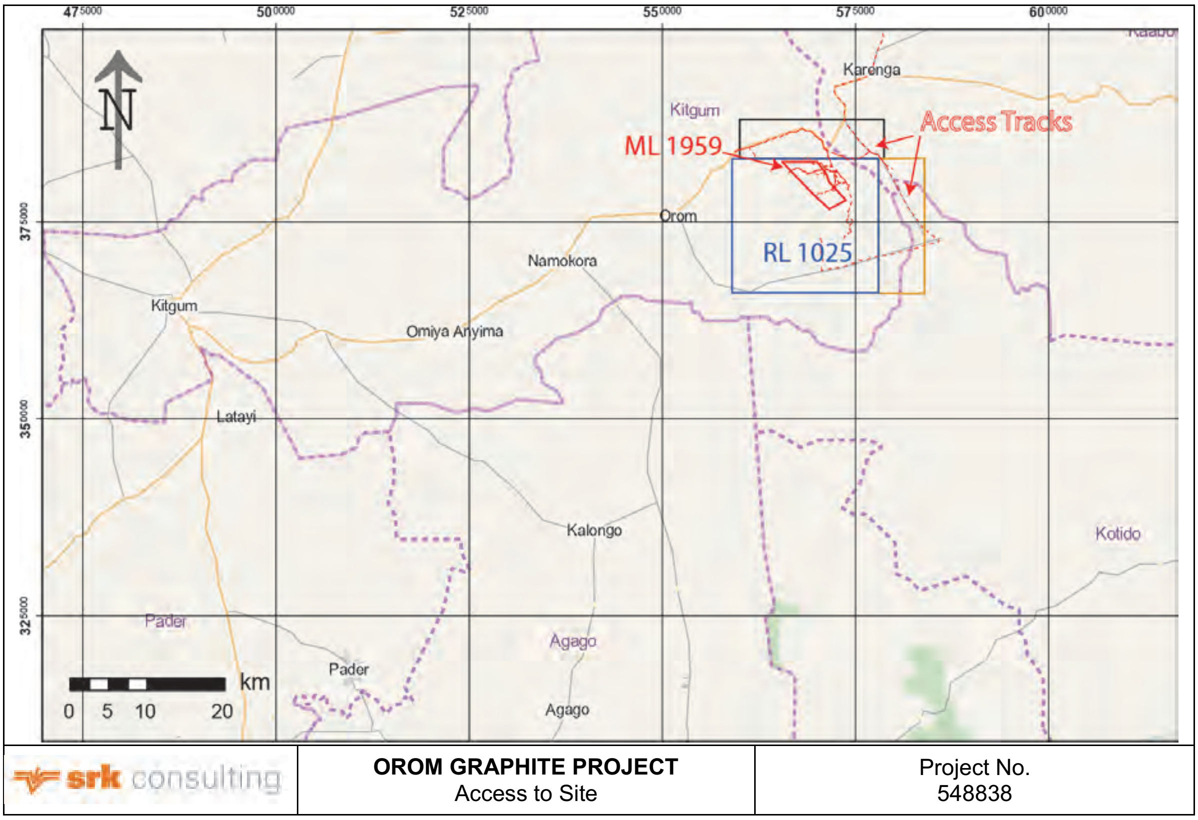
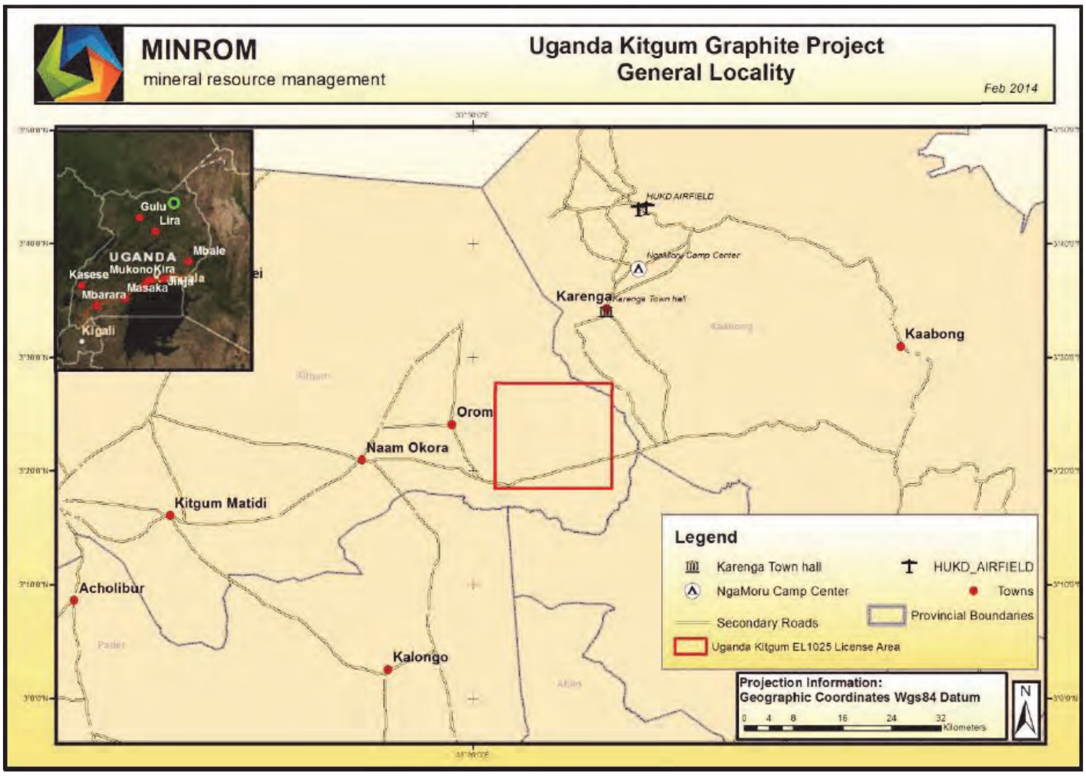


Figure 5-1: Access – Orom Graphite project

Source: ESRI ArcGIS Online (© OpenStreetMap).

The principal airport is at Entebbe on Lake Victoria, approximately 40km from Kampala with international airlines connecting Uganda to Europe, the Middle East and East Africa. There are also around 10 domestic airports which are connected by charter flights and a small airfield named Hukd airfield is located about 30km in a straight-line distance to the northeast of the Project area. The majority of Uganda's imports and exports come through Mombasa port in Kenya, either by road or rail. A standard gauge rail line is in the process of being built from Mombasa through to Uganda. As Uganda is a land-locked country, all imports and exports are transported via the existing road network. Significant trade occurs along the existing road routes and there is an opportunity for Blencowe to utilise road transport to deliver graphite to external markets at a reasonable commercial cost.



srk consulting	**OROM GRAPHITE PROJECT** Locality plan showing Hukd airport and RL1025, Orom Project area in Uganda	Project No. 548838

Figure 5-2: Locality plan showing Hukd airport and EL1025, Orom Project area in Uganda

Source: Minrom

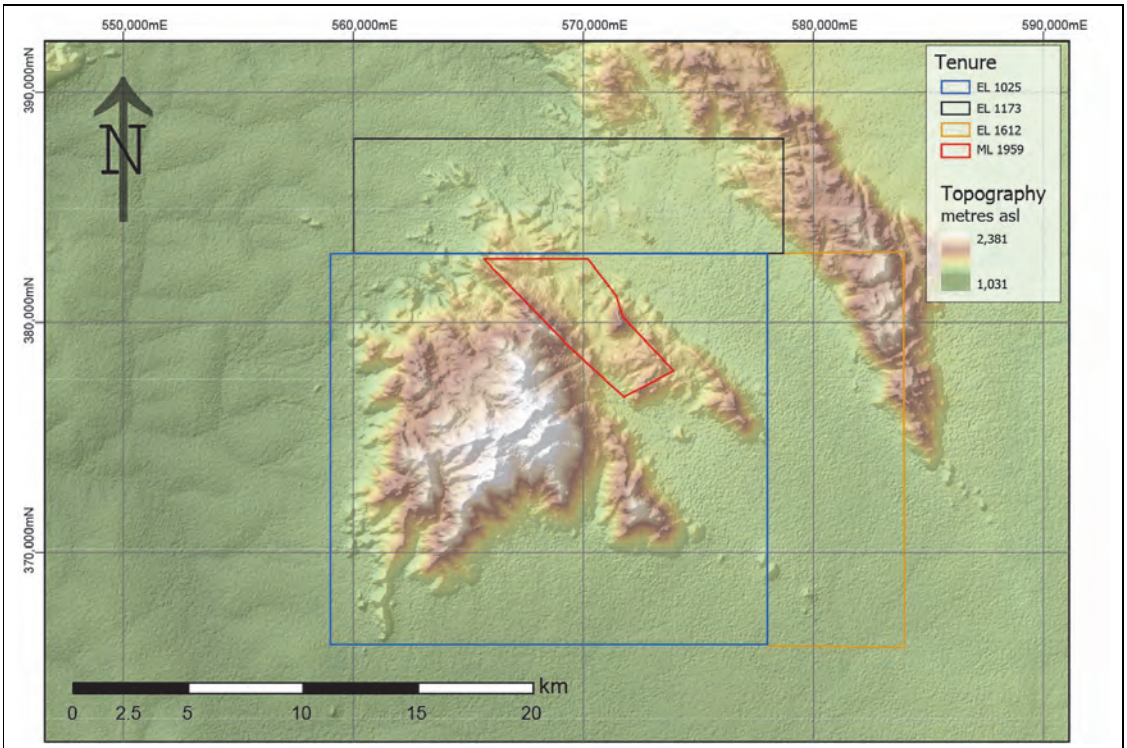
Telecommunications are mostly limited to major urban areas. Mobile phone and internet coverage are reasonable in the main population centres and the postal system works well with several companies offering international courier services.

Grid power is mostly generated by the hydroelectric dam on the River Nile at Owen Falls near Jinja. It has a capacity of 300 MW with an additional 80 MW planned at the Kiira plant. A number of other stations are planned at Karuma and Bujagali. However, only 3 to 5 percent of the population have regular access to electricity with many towns, particularly in the north having no supply.

5.3 Topography and Climate

The topography of Uganda is generally of low relief but with most of the country lying at or above 1,000m above mean sea level (asl). The country lies between the eastern and western sections of Africa’s Great Rift Valley. In the west, the Runwenzori Mountains lie along the border with the Democratic Republic of Congo, with mountains attaining heights over 5km asl. The Western Rift Valley runs from north to south through the western part of the country and lies at approximately 910m asl.

The Project topography is mostly low relief with average elevations of around 1.1 km asl. Within the applied tenement RL1025, the topography is quite hilly attaining a maximum elevation of 2.4 km asl (Figure 5-3), however the mineralised graphitic units that Blencowe are targeting occur within the valleys, which occur at a lower elevation and are generally broad and flat lying.



srk consulting	**OROM GRAPHITE PROJECT** Local Topography	Project No. 548838

Figure 5-3: Topography of Orom Graphite project and surrounds

Source: SRTM.

Rom Peak, within RL1025, is 1,652 m asl, however the Rom mountain range contains other peaks that exceed 2,300m asl (Figure 5-4). It ranks as the 185th highest mountain in Uganda. The nearest adjoining mountain peaks are Rom III, Lodwar, Pakuen, Obwero, Kamalinyang and Kichok.

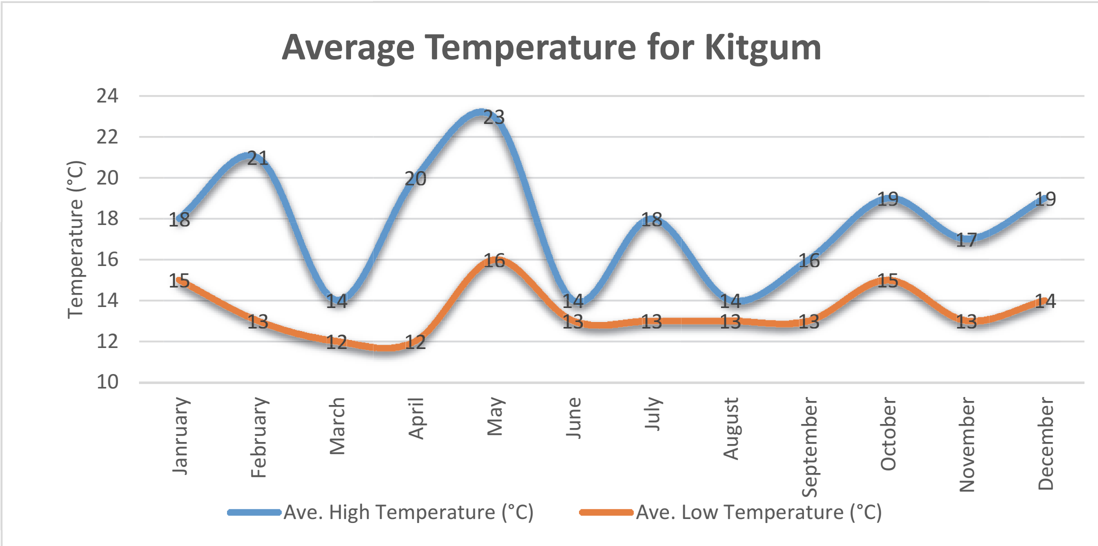
srk consulting	**OROM GRAPHITE PROJECT** Topography of Orom Mountain Range	Project No. 548838

Figure 5-4: Topography of Orom Mountain Range

Source: Minrom Photos of Geophysical survey.

A number of streams and tributaries occur to the west, forming the main drainages in the Kitgum district. The streams drain southwards.

The average monthly temperatures of the Project (based on observations from the closest nearby town of Kitgum) are presented in Figure 5-5. The climate is generally tropical with maximum temperatures occurring between the months of April and May.



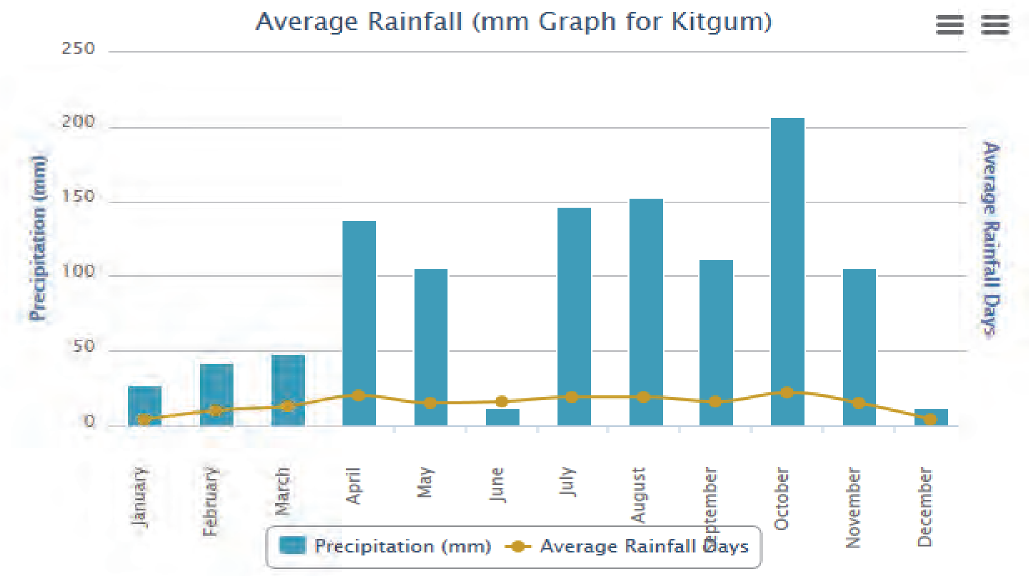
srk consulting	**OROM GRAPHITE PROJECT** Average monthly temperatures	Project No. 548838

Figure 5-5: Average monthly temperatures for Kitgum, Uganda

Source: Minrom Report on Phase 1 Mapping and Exploration drilling Orom Project, 2015.

Annual precipitation ranges from less than 500 mm in the northeast to 700 – 1,500 mm over much of the central plateau and exceeding 2,000 mm in parts of the Lake Victoria basin and the western mountains. In the south there are two distinct rainy seasons with peaks in April and November while in the north there is a more continuous rainy season from April to November. Operations at the Orom project should not be hindered by wet seasons.

The associated rainfall distribution at the Project area (based on observations taken from the closest nearby town of Kitgum) is illustrated in Figure 5-6. Annual precipitation ranges from less than 10 mm in the months of June and December, to over 200 mm in the month of October.



srk consulting	OROM GRAPHITE PROJECT Average monthly rainfall	Project No. 548838

Figure 5-6: Average monthly rainfall for Kitgum, Uganda

Source: Minrom Report on Phase 1 Mapping and Exploration drilling Orom Project, 2015.

The vegetation in the Project area is dominated by tropical savannah consisting of scattered trees and tall grasses. Figure 5-7 shows examples of the vegetation and typical landscape of the Project. The mineralised graphitic units within the project area occur in the valleys which are readily accessible for any proposed future operations.

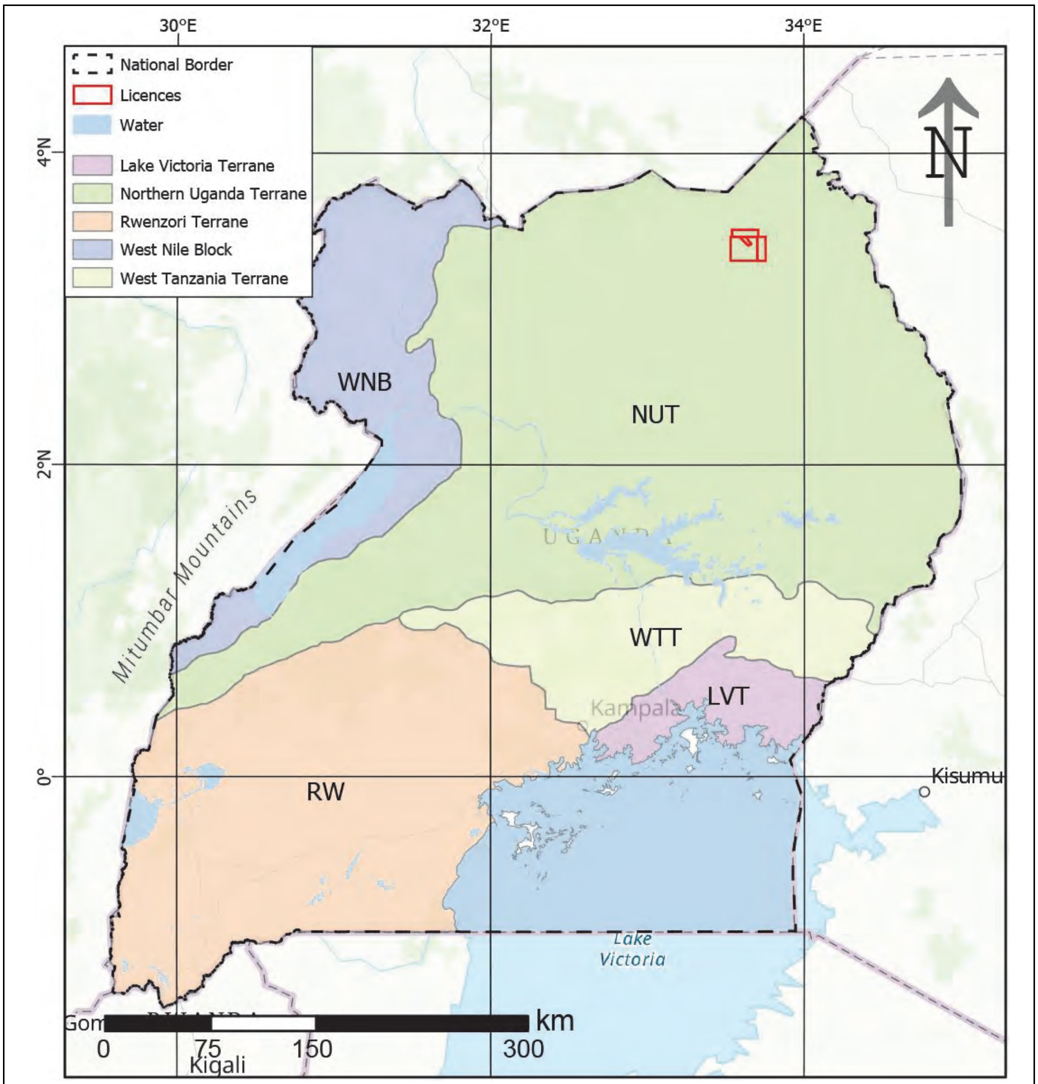
srk consulting	OROM GRAPHITE PROJECT Typical landscape and vegetation, Orom Mountain Range	Project No. 548838

Figure 5-7: Example of typical landscape and vegetation

5.4 Regional Geology

The geological features encountered in Uganda can be divided according to the Supercontinent Cycles responsible for forming the current African continent. The oldest rock formations encountered in Uganda, part of the Archean Basement, have been subdivided into the following major terranes (Figure 5-8):

- Lake Victoria Terrane (LVT);
- West Tanzania Terrane (WTT);
- West Nile Block (WNB);
- Rwenzori Terrane (RW); and
- North Ugandan Terrane (NUT).



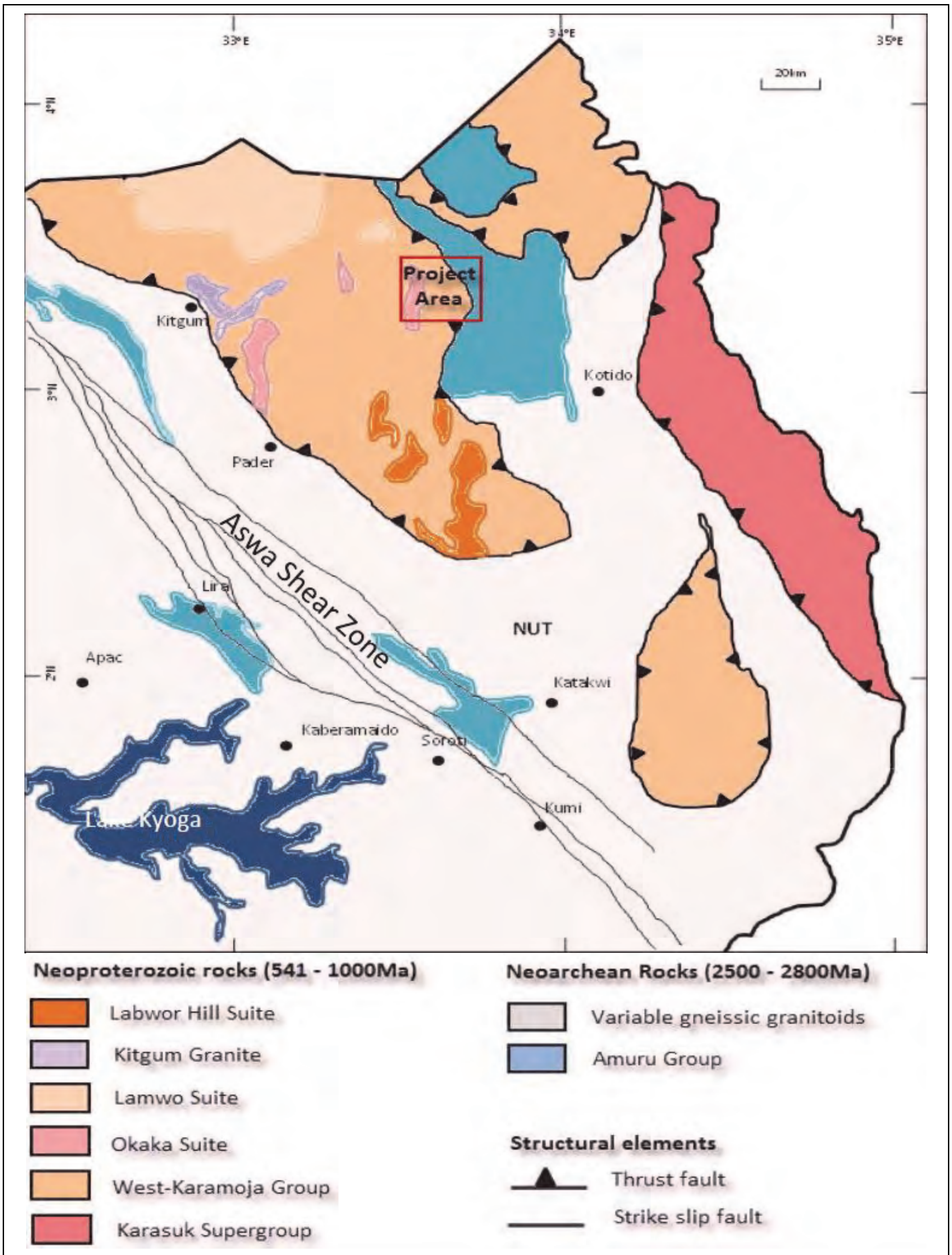
srk consulting	**OROM GRAPHITE PROJECT** Major Terranes	Project No. 548838

Figure 5-8: Simplified geology map showing major terranes of Uganda

Source: Begg, G. C. et al., 2009. The lithospheric architecture of Africa, Geosphere, 5(1), pp. 23-50.

5.4.1 Northern Uganda Terrane

The Project is located within the Northern Uganda Terrane (NUT) (Figure 5-9), covering approximately 60 percent of the country. It is separated from the West Tanzania Terrane (WTT), located in the east, by what is termed a 'major mid-crustal dislocation'. On the NUT's western margin is the one-billion-year-old Madi-Igisi Belt and West Nile Block. The north and north-eastern margins are bounded by Neoproterozoic Pan-African fold belts.



srk consulting	OROM GRAPHITE PROJECT Geological map of the eastern part of the North Uganda Terrane	Project No. 548838

Figure 5-9: Simplified geology map showing the North Uganda Terrane

Source: Westerhof, A. B. et al., 2014. Geology and Geodynamic Development of Uganda, 1: 1,000,000 - Scale Geological Map.

The major building blocks of the NUT are defined as follows:

1. The Karuma- and Karamoja-Complex, a Mesoarchean phase of crust formation, mainly composed of granulite-grade metasediments; and
2. Neoarchean rocks of the North Uganda Terrane, divided into 5 supracrustal rock units of the Amuru Group and into 22 rock units of deformed granitoids, gneisses and migmatites of igneous or uncertain origin.

The evolution of the NUT can be attributed to three major crustal building and deformation cycles. These evolutionary cycles are abridged according to stages or age-related events. The first and oldest event is of Archean age, followed by a late Mesoproterozoic cycle and lastly, the most recent Neoproterozoic cycle.

Archean development of the NUT

The evolution of the NUT during the Archean cycle is hard to observe due to the numerous reworking cycles imposed on these rocks during later metamorphic and structural deformation cycles. Nonetheless, these Archean age rock formations can be identified using U-Pb zircon age dating and geophysical surveys.

The development of the NUT during the Archean era can be summarised as follow (for a full discussion see Westerhof, et al., 2014):

- Deposition of the Karuma Group at around 2.99 billion years ago (Ga) on the craton crust;
- Emplacement of the War- and Amuru-Group mafic volcanics with associated sills and feeders into the older crust formation resulting in widespread retrograde-amphibolite metamorphism;
- Accretion and collision of the WNB and NUT at 2.63 – 2.61 Ga, resulting in widespread amphibolite- grade metamorphism overprinting a previous granulite grade metamorphism;
- The collision and amalgamation of the already cratonised WNB and NUT with the WTT (Tanzania Craton) dated between 2.64 and 2.61 Ga. Evidence of this collision is found in the mid-crustal dislocation zone between the NUT and WTT in the form of intruded granitoids of the Kampala and Totoro Suites;
- At 2.59 to 2.55 Ga the LVT collided and merged with the already cratonised WNB, NUT and WTT, resulting in a second amphibolite grade metamorphism; and
- The emplacement of the Kiboga Suite, dated at 2.49 Ga, most likely represents a transtensional event which formed the suture between the WTT and NUT.

Late Mesoproterozoic development of the NUT

During the late Mesoproterozoic era, east-west compression deformed the older Archaean rock units. This deformation event is known as the Lomanian Orogeny (Pohl, 1988), resulting in the transposition of the original east-west trending grains into north-south structural trends. Major fault zones followed this compressional event, resulting in a large-scale transposition of east-west trending grains of the western segment of the NUT.

Neoproterozoic development of the NUT - Pan-African Orogeny

During the Neoproterozoic era, the Pan-African Orogenic Cycle formed the supercontinent known as Gondwana. The formation of this supercontinent involved the accretion, collision of micro-continents and subsequently the breakup of the supercontinent, forming the continental boundaries observed today. The development of the NUT during this cycle is summarised as follow:

- East-west horizontal compression as a result of collision and amalgamation of the east and west Gondwana. This compression formed the Karamoja Belt along with the tectonically emplaced rocks of the Karasuk Supergroup and West Karamoja Group. The compression and amalgamation also resulted in the formation of west- and southwest-directed thrusting; and
- The amalgamation of east and west Gondwana mentioned above was followed by north-south horizontal compression due to the collision of the already amalgamated east-west Gondwana with the Sahara Metacraton to the north. This north-south compression and amalgamation resulted in the magmatic emplacement of some of the Neoproterozoic granitoids.

5.4.2 Regional Mineralisation

According to Morton (1969), the graphite mineralisation is hosted within gneisses that belong to the Neoproterozoic West Karamoja Group. These rocks are predominantly of basic granulites, garnet-bearing granulites and graphitic granulites rocks. The West Karamoja Group (Mesoproterozoic age) is underlain by the Neoarchean Amuru Group consisting of gneisses and amphibolites (Figure 5-10). During the Pan-African Orogeny (of 600 million years ago), these rocks were thrusted onto the older Neoarchean rocks of the Amuru Group during the Pan-African Orogeny, resulting in the formation of allochthonous klippe structures.

Numerous younger intrusives are also scattered across the area and are associated with the Okaka Suite and Lamwo Suite intrusives of granite and charnockite (Westerhof, et al., 2014).

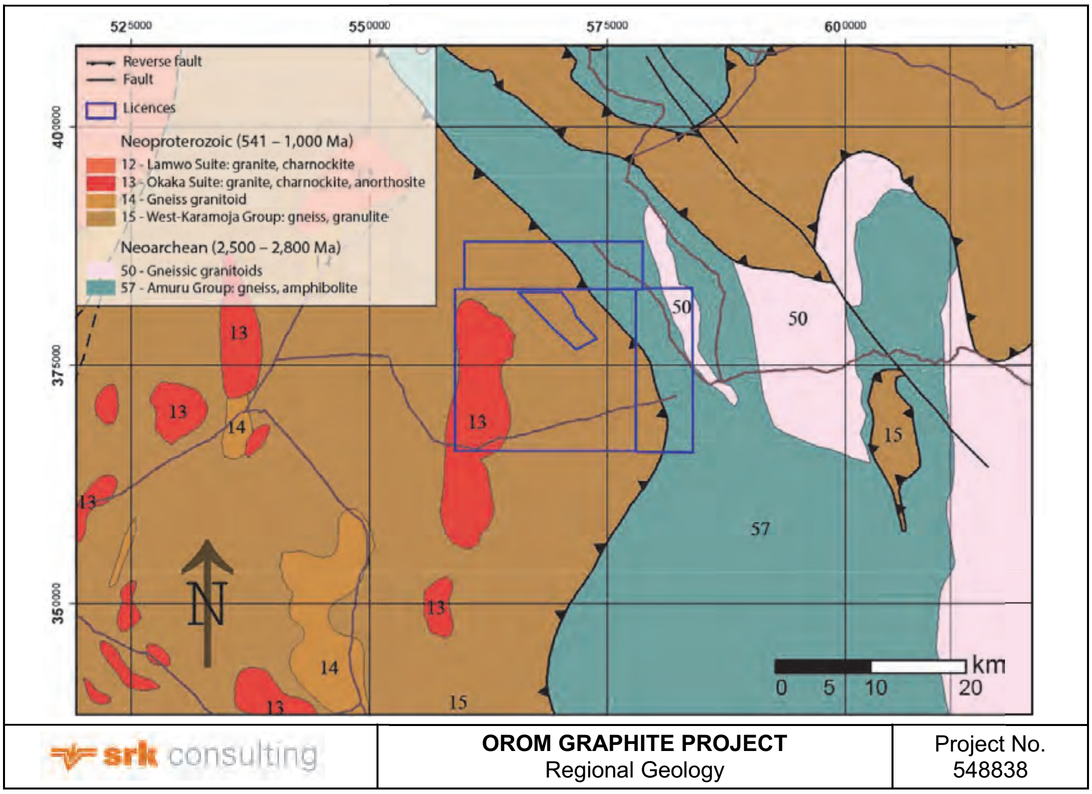


Figure 5-10: Regional geology of Uganda

Source: Lehto et al., 2014, Geological Map of Uganda, Scale 1: 1,000,000.

5.5 Project Geology and Mineralisation

The Project is mainly covered by rocks belonging to two members of the West-Karamoja Group: the (1) Kalapata which consists of mafic granulite and the (2) Napararo which consists of banded granulite and charnockite (and a member of the Ogili Suite). To the south of the Project, the rocks are blanketed by Quaternary cover.

The major stratigraphic units in the project area include the following (from youngest to oldest):

- Quaternary Sediments;
- Neoproterozoic West Karamoja Group;
- Neoproterozoic Ogili Suite Granite and charnockite; and the
- Neoarchaen Amuru Group.

These rocks have a regional north-northwest trend. As well as a northwest-southeast thrust, dipping westward, in the northeast, the regional 1:100,000 ROM Sheet 17 indicates sinistral shearing also occurred along the structure (Figure 5-11). This is in harmony with a horizontal north-northeast directed maximum horizontal compression.

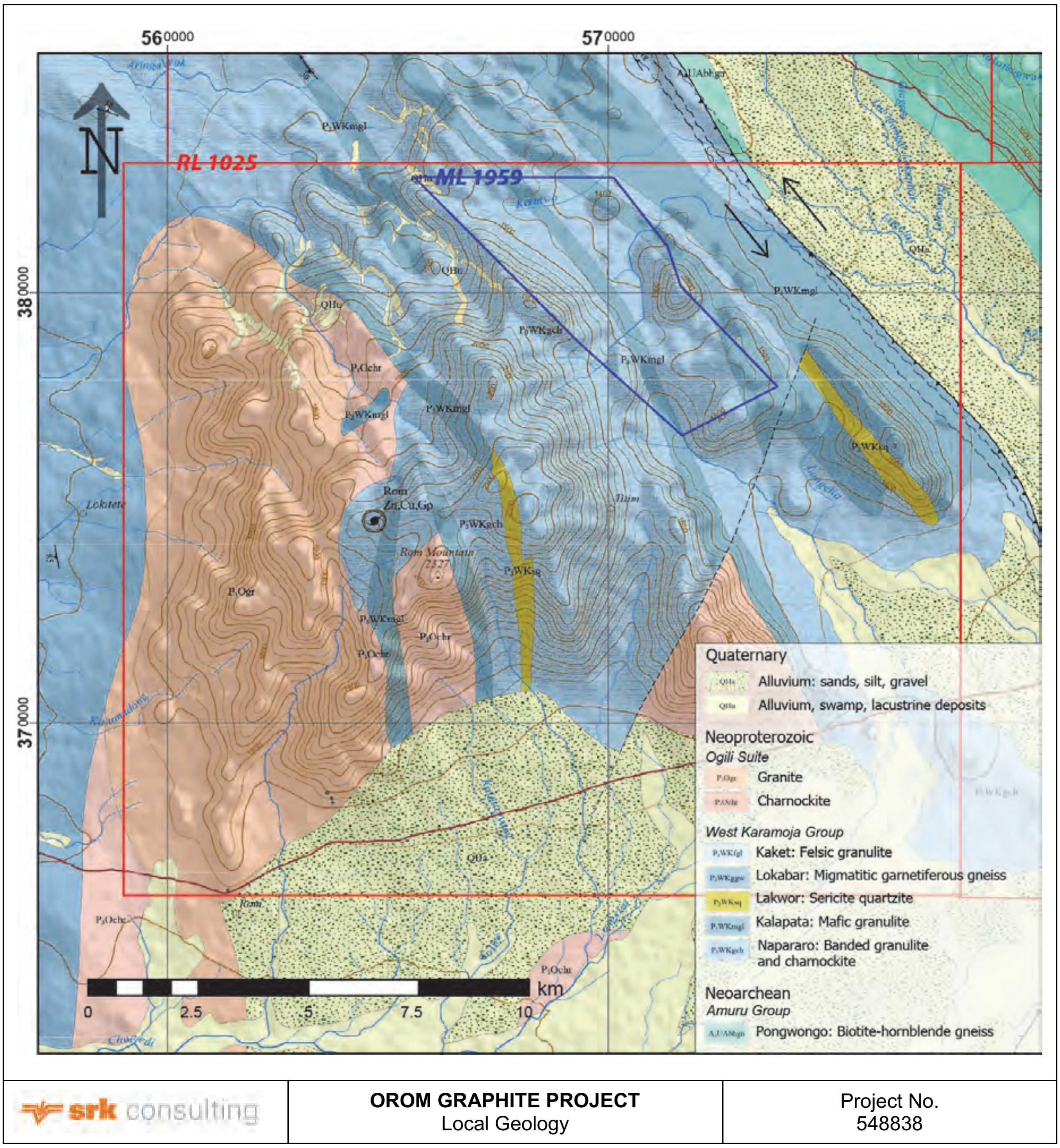


Figure 5-11: Local geology of the project – RL1025

Source: Makitie et al., 2012.

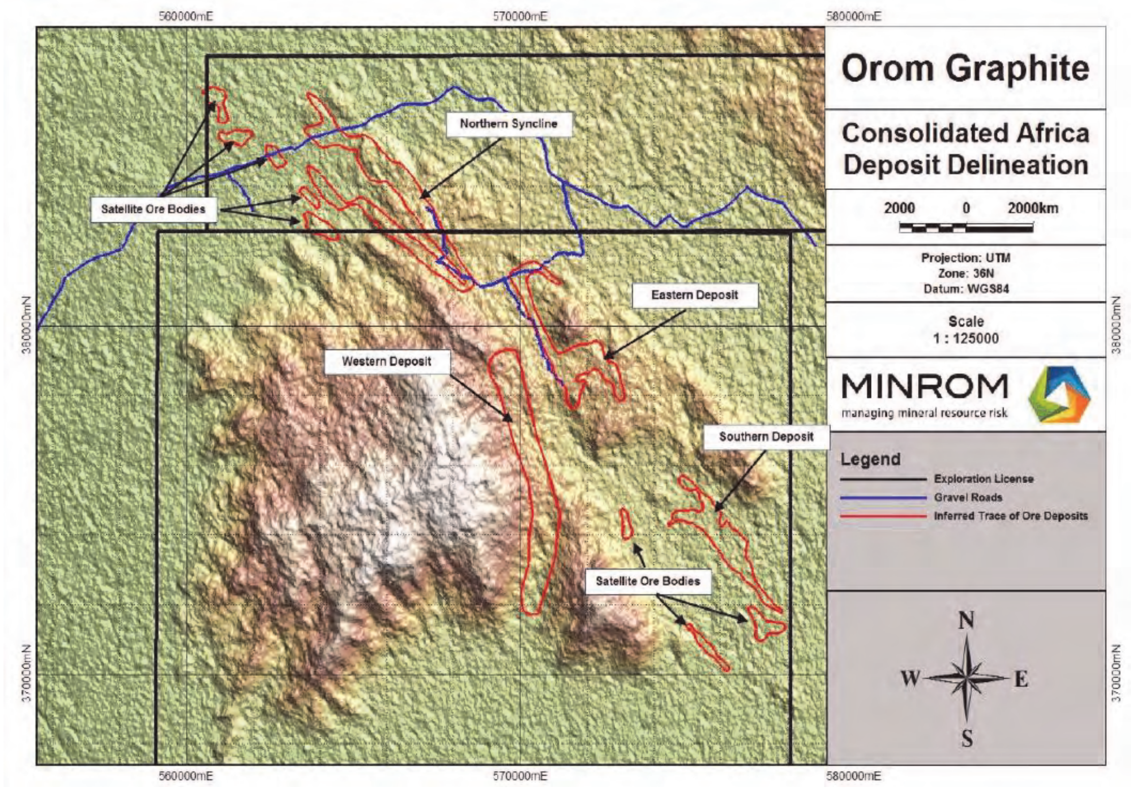
The main sequences within the Project date from Neoarchean to Neoproterozoic (Figure 5-11) and the descriptions in the following sections (from oldest to youngest) are mostly summarised from Minrom's Phase 1 Report dated 11th September 2015.

5.5.1 Local Geology and Graphite Mineralisation

The geological mapping work done by Minrom in the Project revealed that the area is underlain by metamorphic rocks of the West Karamoja Group with rocks of the Okaka Suite forming surface outcrop.

The graphite mineralisation is hosted within granulite or retro granulite facies rocks of the West Karamoja Group (Baldock, et al., 1969) and 6 main areas were identified and delineated by Minrom (Figure 5-12). The three major lithologies that occur within the Project (see Figure 5-11) are:

- Basic pyroxene granulite and pyroxene gneiss;
- Felsic graphic granulite; and
- Banded granulite and charnockite



srk consulting	**OROM GRAPHITE PROJECT** Location of graphite targets	Project No. 548838

Figure 5-12: Location of graphite targets within the project area

Source: Minrom Report on Phase 1 Mapping and Exploration drilling Orom Project, 2015.

The two dominant rock types are basic pyroxene granulite and pyroxene gneiss (Morton, 1969). The banded pyroxene gneisses are graphite bearing and composed pre-dominantly of quartz and white feldspar. During their formation, the thin bands of quartzofeldspar within the gneiss bands grew thick enough to form distinct quartzofeldspathic units. For example, Morton (1969) stated that '*the graphite mineralisation is located primarily within the gneisses; however, the quartzofelspathic bands within the gneisses are barren*'. He also described the acid to intermediate pyroxene and hornblende granulite's as being '*poorly foliated rocks with a flinty fracture, which only rarely contain accessory amounts of graphite*'.

Some of the rocks on surface have been weathered and are strongly oxidised, forming gossaniferous material near surface. The rocks in the area are mostly covered superficially by reddish to dark brown and black soil.

The structural trend of rock units is north-south to northwest-southeast, and dip toward the west and southwest between 70°and 80°. The actual graphite mineralisation (lodes) in the project area strike north-south, and dip at 70° to the west. The graphite deposits are described in an exploration report compiled by TNT mining (dated 2013) to be comprised of *large graphite flakes, larger than 50 mesh-size (±300 µm)*.

Overall the rocks within the project area have similar compositions, with minor variations in lithology. The lithologies are predominantly pyroxene bearing and abundant quartz and feldspar have all undergone high grade, granulite facies metamorphism. The rocks have a regional strike north to north west.

Syngenetic graphite generally occurs as layers in metamorphic rocks, whereas epigenetic graphite fills veins intersecting pegmatites and metamorphic rocks and originates from lateral secretion (Erdosh, 1972). Therefore, the formation of the graphite is likely to have occurred syngenetically with the metamorphism of black shale. The preferred orientation observed is likely to have been caused by high pressure and deviatoric stress during regional metamorphism.

5.6 Historical Exploration

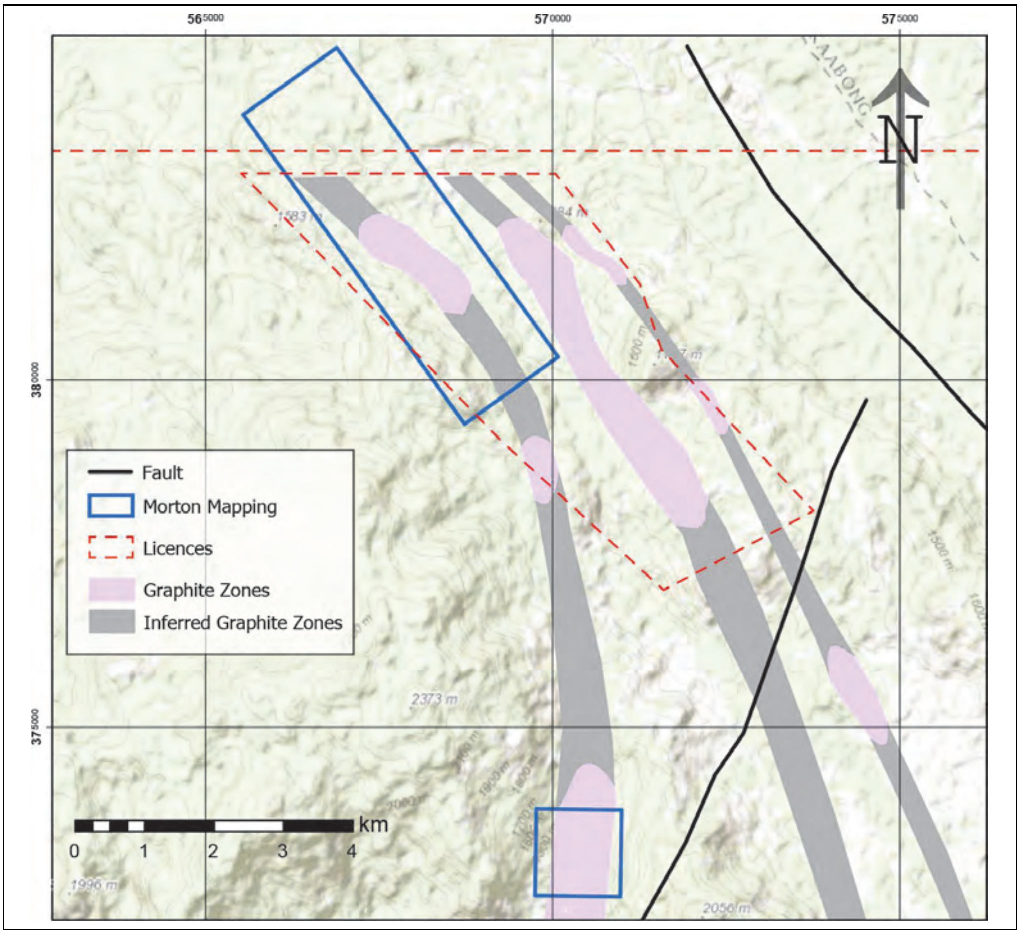
The earliest known exploration began in 1964 with several geochemical anomalies (zinc and to a lesser extent Cobalt, Nickel, Copper and Chromium) detected from soil samples. This was followed up in 1969 by further mapping, pitting, trenching, channel sampling, and the drilling of one hole by the Ugandan Geological Survey.

Recent exploration commenced in 2013 when four phases of work were completed, beginning with Discovery Africa, TMT Mining and then Consolidated.

Exploration included trenching, pitting, followed by a site visit and a due diligence sampling programme by consultants from Minrom who were engaged by Consolidated. Subsequent work included surface mapping, sampling, diamond drilling, a VTEM geophysical survey, and trenching.

5.6.1 Geological Survey

As a result of the soil anomalies detected in 1964, follow up field work was conducted by the Ugandan Geological Survey and Mines Department (by geologist Mr Morton) in 1969. This work included pitting, trenching and drilling of one borehole to test the anomalies. The anomalous areas occur over the main areas of graphite occurrence and were subsequently depicted on interpretation maps (Figure 5-13).



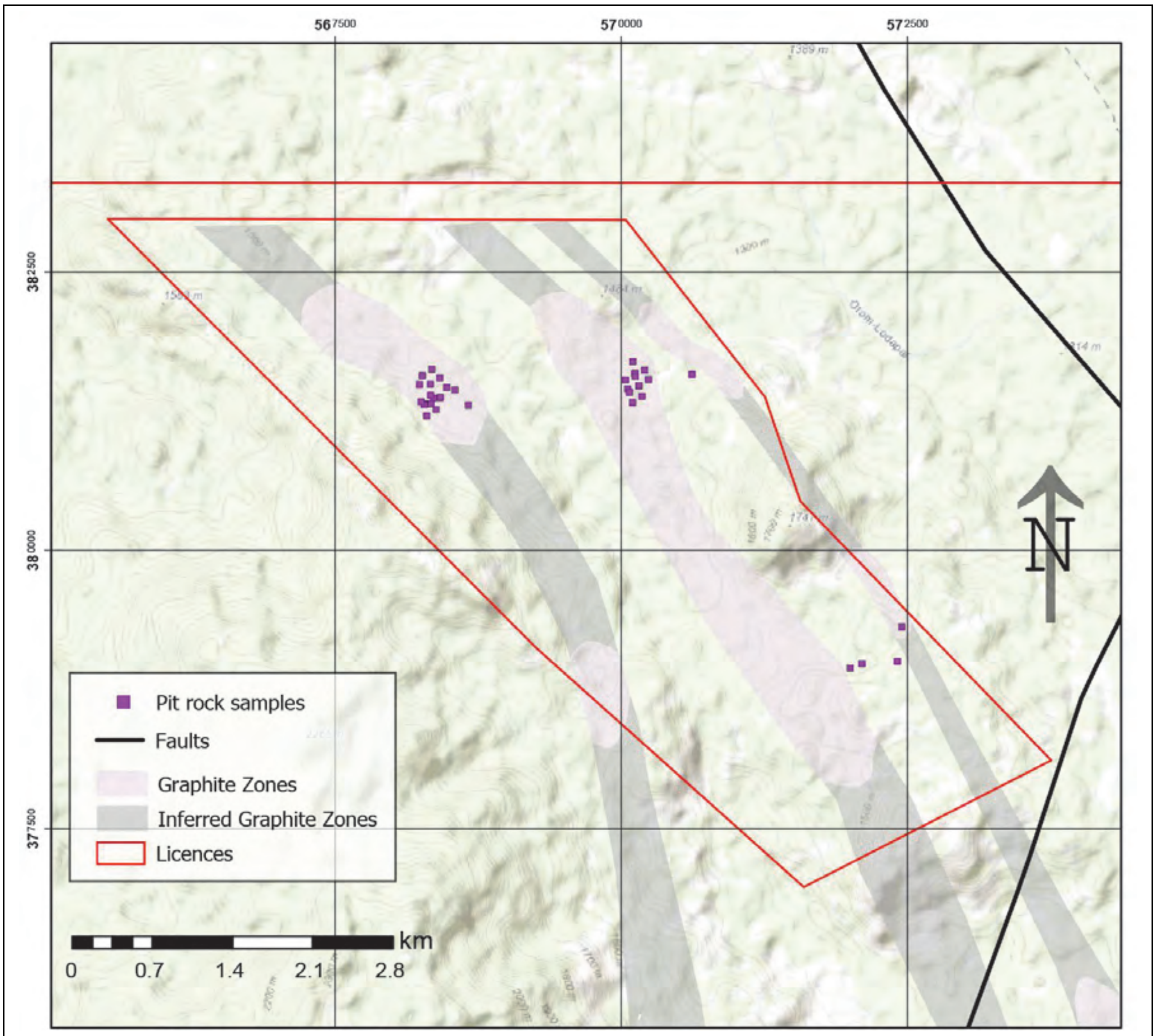
srk consulting	**OROM GRAPHITE PROJECT** Mapping in 1969	Project No. 548838

Figure 5-13: Mapping and interpretation by Morton in 1969

Observed flakes of graphite were described as occurring within graphitic gneisses. It was also observed that other rock types were interbedded with the graphitic gneisses and included quartzo feldspathic rocks and acid to intermediate pyroxenes and hornblende granulites. The inferred graphite zones generally dip around 70° toward the west (Morton, 1969).

5.6.2 Pit Sampling

During the early part of 2014, Discovery Africa and TMT Mining excavated 36 pits and sampled 26 of them across the deposit to an average depth of 2.5 m (Figure 5-14). The pits were designed to sample across the strike of the graphitic lodes. The results demonstrated prospective graphitic zones extending about 3.5 km along strike (to the north) and about 1.5km wide. A total of 16 samples were analysed for graphite, with disseminated graphite visible in 9 of the 16 samples.



srk consulting | **OROM GRAPHITE PROJECT** Phase 1 - Pit Rock Samples | Project No. 548838

Figure 5-14: Phase 1 Exploration – Pit rock samples

The samples were analysed for:

- Head chemical analysis;
- Grading analysis; and
- Floatation testing.

Graphite grades ranged from 0.4 percent to 25 percent TGC (Table 5-1). However, the results need to be reviewed with caution because no QA/QC was done during the analysis of the sample pits.

Table 5-1: TMT pit rock samples – TGC grade (percent)

Easting	Northing	RL	Sample	TGC (Wt. %)	Description
570618	381582	1365	JJ1	10	
570204	381619	1381	JJ2	10.4	Graphite in bottom 3.4m.
570119	381590	1389	JJ3	8.24	Mineralised from 0.5m.
570154	381478	1388	JJ4	2.04	Poor grade graphite in weathered gneiss.
570181	381385	1384	JJ5	4.75	Highly weathered gneiss.
570238	381535	1383	JJ6	6.86	Weathered gneiss disseminated graphite. Thin. Overburden.
568421	381374	1471	JJ7	13.9	Good mineralisation in bedrock.
568362	381368	1476	JJ8	7.21	Moderately mineralised, weathered bedrock.
568383	381265	1479	JJ9	12	Well mineralised, highly weathered bed.
568335	381393	1480	JJ10	9.74	Vein like graphite in brecciated gneiss. Locally very high grade.
568344	381626	1468	JJ11	25.3	High grade graphite in layers & veins.
568415	381549	1473	JJ12	0.39	Poor mineralisation in steep (70°) dip.
572450	379313	1469	JJ13	15.1	80° dip. Vein & disseminated.
572413	379004	1522	JJ14	18.6	Good grade disseminated graphite.
572103	378983	1491	JJ15	11.5	Disseminated graphite in highly weathered gneiss.
572000	378943	1476	JJ16	15.2	High grade disseminated graphite in weathered gneiss.

Note: TGC (Wt. %) = Total Graphitc Carbon by weight percent.

SRK viewed one of the historical sampling pits during the site visit and recorded its position using a handheld GPS (Table 5-5).

5.7 Recent Exploration

The most recent exploration program was implemented and managed by Minrom's two Project Geologists Mr J.P. Van Den Berg, MSc. Geology (Rhodes) is a registered Professional Natural Scientist (Geological Science) (Pr. Sci. Nat. Reg. No. 118056) and is a member of the Geological Society of South Africa, Mr R. Lewis BSc. Geology (UJ) is a registered Professional Natural Scientist (Geological Science) (Pr. Sci. Nat. Reg. No. 119477) and is a member of the Geological Society of South Africa and Mr O. Van Antwerpen managed the Project as the overall competent person. MSc. Geology (UPE) GDE Mining, MPhil Environmental Management, Pri Sci. Nat 400094/97 is a registered Professional Natural Scientist (Geological Science) (Pr. Sci. Nat. Reg. No. 400022/07) and is a member of the Geological Society of South Africa.

5.7.1 Phase 1 – Mapping

On behalf of Discovery Africa, Minrom conducted surface mapping and sampling from May to July 2015. The objective of this was to map the graphite bearing geological lodes.

The programme consisted of:

- Walking fixed traverses and along all accessible pathways;
- Involving the local farmers in the area (social licensing); and
- Investigating the historical Morton pitting sites.

The graphite bearing units were then sampled in order to delineate the higher-grade target areas within the project area. The lodes varied in width on the surface from around 150 m with an estimated 500 m strike. The location of the lithological units together with their strike, dip, plunge and deformation fabrics were recorded (e.g. Figure 5-15).

srk consulting	OROM GRAPHITE PROJECT Mapped Lithological units	Project No. 548838

Figure 5-15: Lithological units mapped by Minrom in the Orom project area

Source: Report on Phase 1 Mapping and Exploration drilling Orom Project, 2015.

Minrom identified several lithological units including; banded quartzofeldspathic gneiss, quartzofeldspathic rock, graphitic gneiss, amphibolite, garnet amphibolite and gossaniferous material. These are described below.

Barren Gneiss

The majority of the rocks observed in the Project area are barren gneisses (rocks devoid of graphite mineralisation) and primarily consisted of: 1) Banded quartzo-feldspathic gneiss, and 2) Coarse grained quartzo-feldspathic rocks. Descriptions of each are provided below:

1. **Banded quartzo-feldspathic gneiss**

   The major rock type encountered was quartzofeldspathic gneiss. These rocks are poorly foliated, granoblastic and polygonal textured; they consist of medium grained quartz and cream coloured feldspar with minor ferromagnesian minerals and contain very little or no flakes of graphite. Thin stringers of well-foliated ferromagnesian and minor graphite do occur within this lithology but are usually less than 1 cm in thickness.

2. **Coarse grained quartzo-feldspathic rock**

   This poorly foliated, inequigranular granoblastic polygonal, coarse-grained quartzo-feldspathic unit contains white to cream coloured feldspar and quartz, crystals exceeding 1cm in size. These units display pegmatitic characteristics. The major minerals are quartz and feldspar with minor coarse-grained amphibole and pyroxene which displays radiating textures, see Figure 5-16. The quartzofelspathic bands and rocks rarely contain graphite in accessory amounts (Morton, 1969). Graphite does occur, in some instances, as disseminated graphite nodules but is generally of low concentration and not of ore grade. These lithological units are generally devoid of any structural features but show some visual and chemically differentiation in the form of areas consisting of different compositions. In some areas, coarse-grained garnets occur in the units.

srk consulting	**OROM GRAPHITE PROJECT** Quartzo-feldspathic gneisses	Project No. 548838

Figure 5-16: Quartzo-feldspathic gneisses

Graphitic Gneiss

The major graphite-bearing geological units consist predominantly of quartz, feldspar and graphite with minor biotite and accessory minerals. These units generally contain a well-defined secondary planar fabric in the form of foliation. The graphite flakes contain a small crenulation axis that was used for measuring linear structural fabrics. The graphite flakes tend to be more elongated and perpendicular to the mains stress angle and vary with internal waste which occurs as elongated nodules of quartz and feldspars. The graphitic gneisses comprise 1) medium to high-grade graphite gneiss, and 2) medium to low grade graphite gneiss.

1. **Medium to high grade graphite gneiss**

   Medium to high grade graphite gneiss comprises alternating layers of light and dark medium to coarse-grained minerals (Figure 5-17). Dark bands contain dominantly ferromagnesian minerals with graphite whereas the light bands contain dominantly quartz and feldspar. The dark bands are well foliated and contain thin graphitic stringers clustered into bands displaying lens-shaped textures around coarser grained quartz and feldspar nodules. The light bands consist predominantly of medium to coarse-grained quartz and feldspar with minor medium- to fine-grained ferromagnesian minerals displaying a granoblastic polygonal texture.

srk consulting	**OROM GRAPHITE PROJECT** High-grade graphite outcrop	Project No. 548838

Figure 5-17: High-grade graphite outcrop

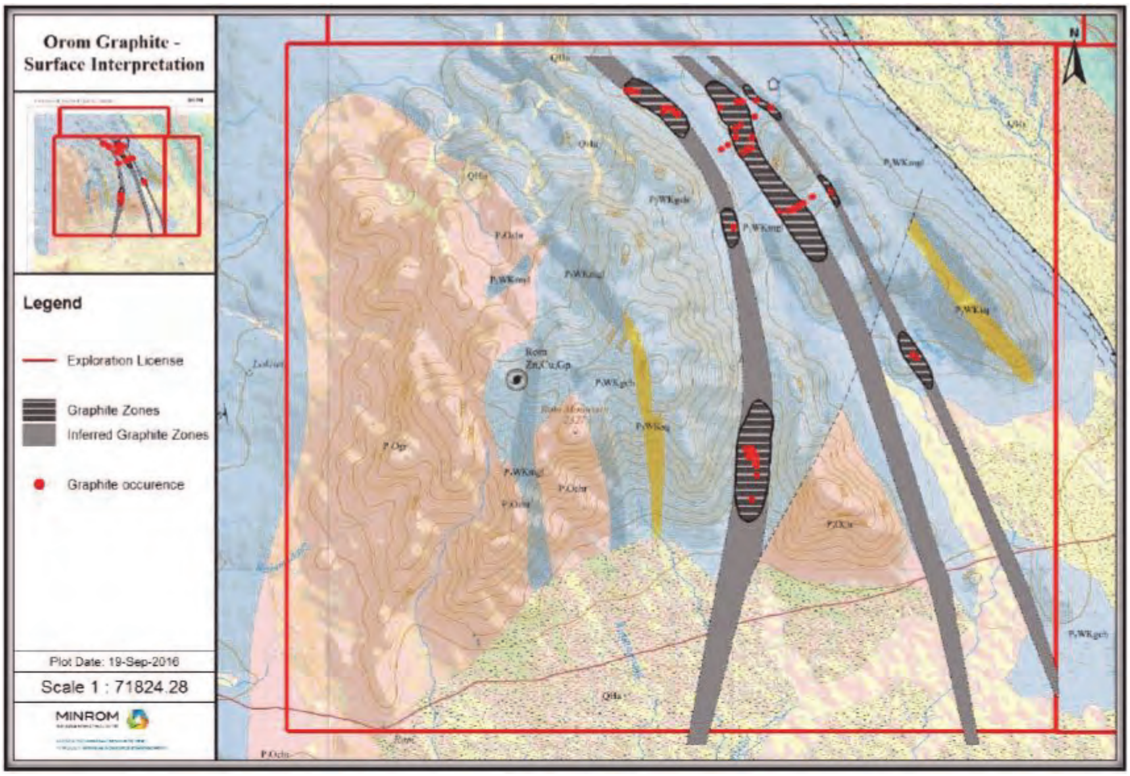
Source: Minrom Report on Phase 1 Mapping and Exploration drilling Orom Project, 2015.

From the mapping phase, it was determined that the graphitic bearing units were predominantly hosted by the banded granulites and gneisses. In places, however, the units are more schist in nature (e.g. Figure 5-18).

srk consulting	**OROM GRAPHITE PROJECT** Graphitic schist foliations measured by SRK	Project No. 548838

Figure 5-18: Graphitic schist foliations measured by SRK

The mafic granulites and gneisses had the tendency to form the high lying ridges in the area and were notably barren in terms of graphite mineralisation. The lithological units along with the graphite occurrences had the tendency to form an arc around the granites of the Orom mountain range. Graphite occurrences were more prominent in the north-eastern portion of the licence area, whereas in the south, the terrain had a far gentler gradient resulting in more flat lying areas with sediment build up (Figure 5-19).



srk consulting	**OROM GRAPHITE PROJECT** Plan depicting the graphite mineralisation	Project No. 548838

Figure 5-19: Plan depicting the graphite mineralisation

Source: Minrom Report on Phase 1 Mapping and Exploration drilling Orom Project, 2015.

The horizontal extrapolation of the graphite bearing units across the study area, using correlation of the surface occurrences, would require further exploration and drilling in order to confirm the lateral continuity and quality of the mineralisation in these units.

2. **Medium to low grade graphite gneiss**

   Similar banding is observed as occurs in the high- to medium-grade graphite gneiss, but the gneiss contains fewer flakes of graphite and more ferromagnesian minerals. Bands alternate between light, medium grained quartz and feldspar, dark medium to fine-grained ferromagnesian minerals are dominant with varied amount of graphite and dark greenish, fine-grained, poorly foliated amphibole and pyroxene dominant bands.

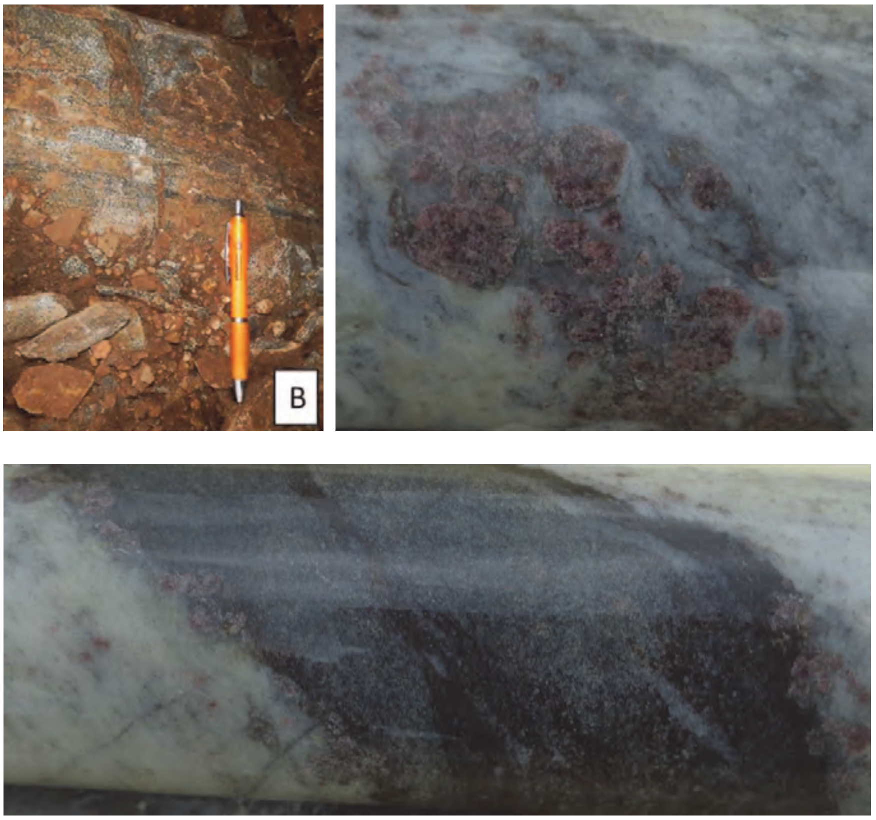
Gossaniferous material

Several thin Gossan units were located within the trenches rarely thicker than a metre in width.

Amphibolite

Medium to coarse grained, dark grey to black coloured amphibolites also occur in the project area. They are poorly foliated and have greenish grey bands which consist predominantly of amphiboles (hornblende and actinolite), with minor amounts of quartz, feldspar and epidote (e.g. Figure 5-20).

The banded amphibolite layers exhibit a prominent primary planar fabric, which can be observed as bands and stringers having chemically distinct compositions. Minor amounts of fine-grained graphite flakes occur in some of the amphibolite bands. Secondary linear fabric data could be obtained from the amphibolite layers, as the amphibole crystals (mainly hornblende), are generally orientated perpendicular to the main stress field.



srk consulting	**OROM GRAPHITE PROJECT** Banded amphibolite	Project No. 548838

Figure 5-20: Banded amphibolite occurring in the trenches and garnet amphibolite in the drill core from Orom

Fine- to medium- grained, pinkish purple garnets occur within a greenish poorly foliated fine-grained amphibolite and pyroxene rich matrix, alternating with light quartz and feldspar rich layers (garnet amphibolite). Garnets usually occur as small well-rounded crystals displaying porphyroblastic and poikiloblastic textures. Numerous garnet clusters were observed being larger than 1 cm (Figure 5-20).

5.7.2 Phase 2 – Drilling

The observations and interpretation from the Phase 1 mapping program were used and assisted in the development of Phase 2 diamond core drilling. This resulted in six diamond holes drilled in August 2015 for a total length of ~612 m (Table 5-2). Drill core recovery was generally moderate to good.

Table 5-2: Phase 2 drill holes

Hole ID	Easting	Northing	RL	Length	Dip	Azimuth	Recovery (%)
LODD01	570557	381585	1380.914	63.4	-50	45	81.8
LODD02	570101	381527	1400.134	112.1	-60	45	45.9
LODD03	570136	381483	1402.914	125.5	-60	45	44.5
LODD04	568402	381284	1487.714	73.0	-60	45	57.3
LODD05	568319	381376	1488.804	84.6	-60	45	62.5
LODD06	568267	381324	1489.564	154.0	-60	45	45.8
Total				612.6			

The drilling was undertaken by ADT Drilling (Figure 5-21) and the drill holes are collared toward the northern part of the mapped mineralised zones and fall along an east-west line on three north trending graphite lodes (Figure 5-22). Three holes were drilled at approximately 75 m spacing within the western lodes, two at an approximate spacing of 50 m within the middle lode, and one hole on the eastern lode.

srk consulting	**OROM GRAPHITE PROJECT** Exploration drilling at the Orom Project in Uganda	Project No. 548838

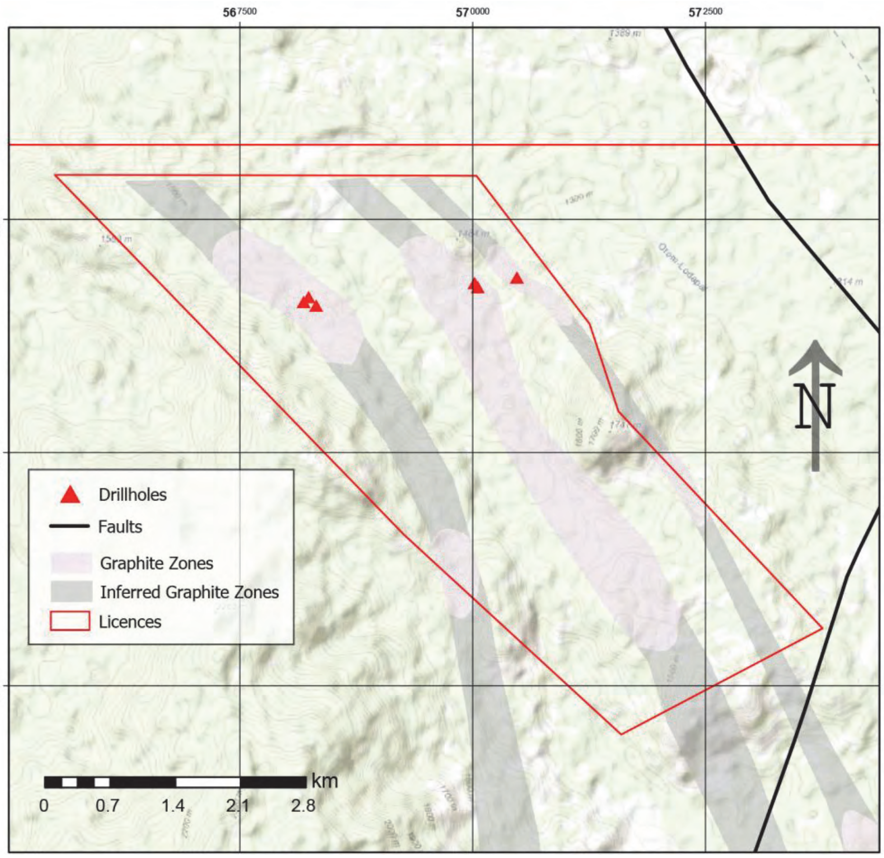
Figure 5-21: Exploration drilling at the Orom Project in Uganda

Source: Minrom Report on Phase 1 Mapping and Exploration drilling Orom Project, 2015.

The drill hole collars were spotted by hand-held GPS using Universal Transverse Mercator (Zone 35S) coordinates and the World Geodetic System 1984 (WGS84) datum.

Mr. Robert Kioko a professional surveyor contracted by Minrom, was responsible for conducting the survey of the drill hole coordinates. Drill hole collars were recorded using a differential GPS (Total Station). The drill hole collar co-ordinates were certified by Mr. Robert Kioko (Reg No. 206) a certified surveyor and fellow of the Institution of Surveyors of Uganda's, Land Surveying Chaptor.

The adjusted survey collars in Table 5-2 differed by approximately 1 m in the horizontal and 23 m in the vertical from the collars SRK measured in the field.



srk consulting	**OROM GRAPHITE PROJECT** Phase 2 - Drilling	Project No. 548838

Figure 5-22: Phase 2 Exploration – Location of drill collars

Core from drill holes LODD01, LODD05 and LODD06 was split out, in order to separately analyse the high, medium and low grade intersections. Similarly the core from the remaining three drill holes LODD02, LODD03 and LODD04 was again split out, into high, medium and low grade intersections, however due to budgetary constraints, only certain selective samples were sent for analysis by Minrom. The intersection of the graphite bearing units confirmed the horizontal and vertical continuation of the layers (see summary in Table 5-3).

Table 5-3: Phase 2 – Lithology description

Lithology	Subdivision	Description
Graphitic Gneiss	High to medium grade Graphite Gneiss	Alternating layers of light and dark medium- to coarse-grained minerals. Dark bands contain dominantly ferromagnesian minerals with graphite whereas the light bands contain dominantly quartz and feldspars. The dark bands are well foliated, and contain thin graphitic stringers clustered into bands displaying lens-shaped textures around coarser grained quartz and feldspar nodules. The light bands consisting dominantly of medium- to coarse-grained quartz and feldspar with minor medium- to fine-grained ferromagnesian minerals displaying a granoblastic polygonal texture.
Graphitic Gneiss	Medium to low grade Graphite Gneiss	Similar banding observed as with the high- to medium-grade graphite gneiss but contains less graphite flakes and more ferromagnesian minerals. Bands alternate between light, medium grained quartz and feldspar, dark medium- to fine-grained ferromagnesian dominant with varied amount of graphite and dark greenish, fine grained, poorly-foliated amphibole and pyroxene dominant bands.

Examples of mineralised core, from fresh material (below base of oxidation), are illustrated in Figure 5-23 for holes LODD01, LODD03, and LODD06, for the east, centre and west graphite zones respectively.

srk consulting	**OROM GRAPHITE PROJECT** Phase 2 – Core photos	Project No. 548838

Figure 5-23: Core photos for holes LODD01 (east), LODD02 (centre) and LODD03 (west)

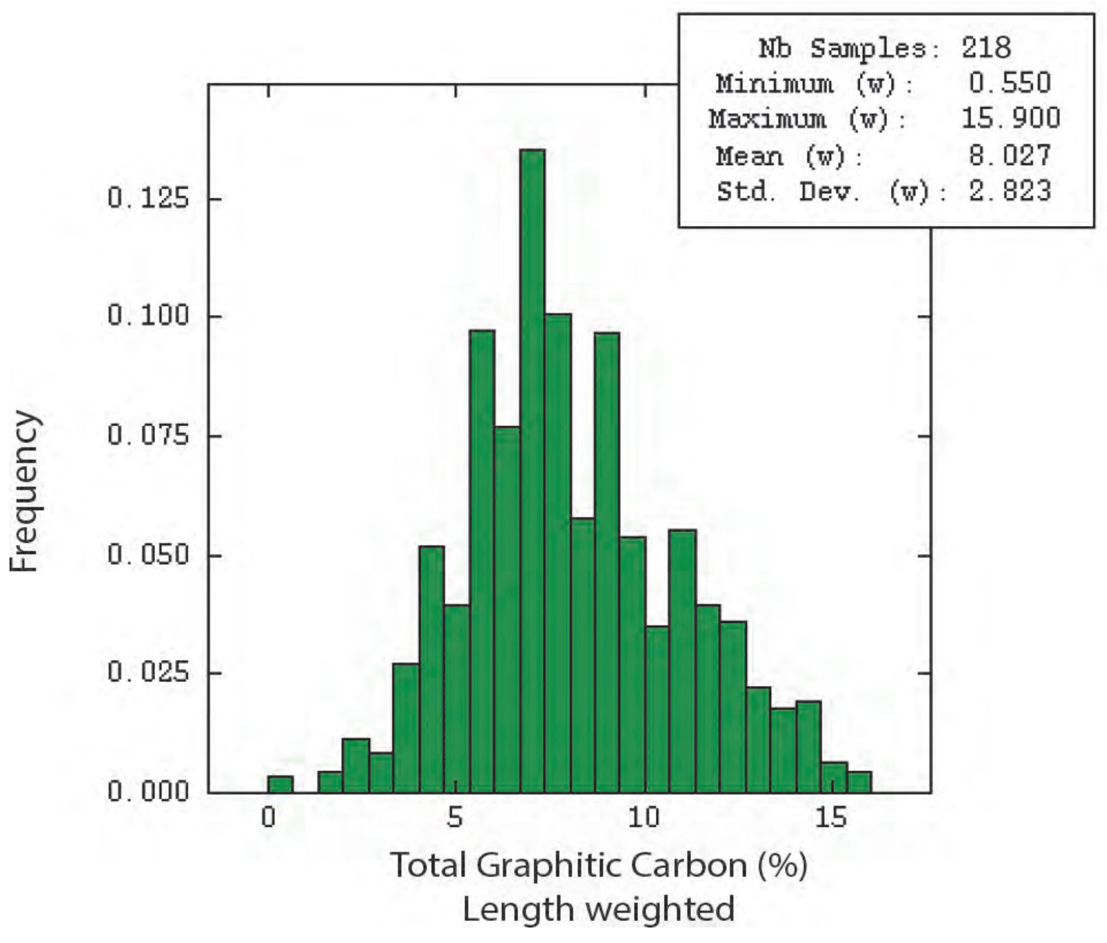
Source: Minrom Exploration Report.

Core was cut and sampled by Minrom and assay test work was carried out by the SGS laboratory in South Africa. The analyses included:

- Determination of the sulphur and graphitic content by LECO;
- XRD analysis of the major mineral assemblages;
- Grading analysis of the particle size distribution; and
- Graphite flake distribution and microscopic analysis.

Out of a total of 218 samples, 184 samples obtained a graphitic carbon content of greater than 5 percent and 67 percent of those sampled were above 7 percent TGC. On average, a total of 56 percent of each hole drilled sampled graphite bearing units, with reasonably good quality graphitic concentrations occurring within the intersections.

The results for TGC distribution in the 218 samples are illustrated by a length-weighted histogram presented in Figure 5-24. The results show a unimodal normal distribution with a length-weighted average of 8 percent TGC.



srk consulting	**OROM GRAPHITE PROJECT** Phase 2 – Total graphitic carbon (%)	Project No. 548838

Figure 5-24: Histogram of total graphitic carbon grade from sampled core

The grading analysis shows that most of the graphite was present in the +212 µm size fraction (large flake), and two samples were predominantly in the jumbo and large flake size categories. In addition, the initial flotation test work obtained a purity grade of 84 to 86 percent graphitic carbon (See Section 7).

SRK observation and assessment of the 2015 drilling

SRK assessed the trend and dip of some of the foliations in the project area. The holes that had been drilled were all found to be correctly planned to get as close as perpendicular to the mineralised intersections as possible based on the trend and dip of the foliations. The targeted drill holes were laid out on the outcrop of graphite bearing units. There were variations in the spacing in the dip direction, due to the variable occurrence and location of the graphite bearing units. LODD02 and LODD03 were laid out 57m apart on strike and 430m away to the east of LODD01 along dip. A second cluster of holes was laid out 1 700m further to the east, these included LODD04 and LODD05 120m apart on strike and LODD6 which was laid out 71m away from LODD05 along dip. The drill run markings and core recovery were correctly marked and recorded on the core.

SRK observed that the drill core is not orientated, as is normally best practice for inclined holes, to orientate the geological and geotechnical features. Core photography was done after cutting the core in half and sampling it. A cut line was drawn along the core axis at the maximum dip position of the foliation; the core was cut in half. The sample numbers and metre markings were recorded with a permanent marker on the core. Minrom have the appropriate size core boxes, both HQ and NQ. The half core reference samples are stored in a secure container in Kitgum next to the Police Station and are available for any possible duplicate analysis when and if required.

SRK closely assessed and logged exploration core samples from selected holes (LODD06 and LODD04). The stratigraphy and mineralogy of the selected holes was recorded in detail, photographs taken, and the units containing the graphite mineralisation examined and verified by SRK. The major lithological units include observed graphitic gneiss, banded quartzofeldspathic gneiss, quartzofeldspathic rock, amphibolite, garnet amphibolite and gossaniferous material. The graphite content and flake size varied throughout the different graphitic units and several thick zones of graphite mineralisation were present.

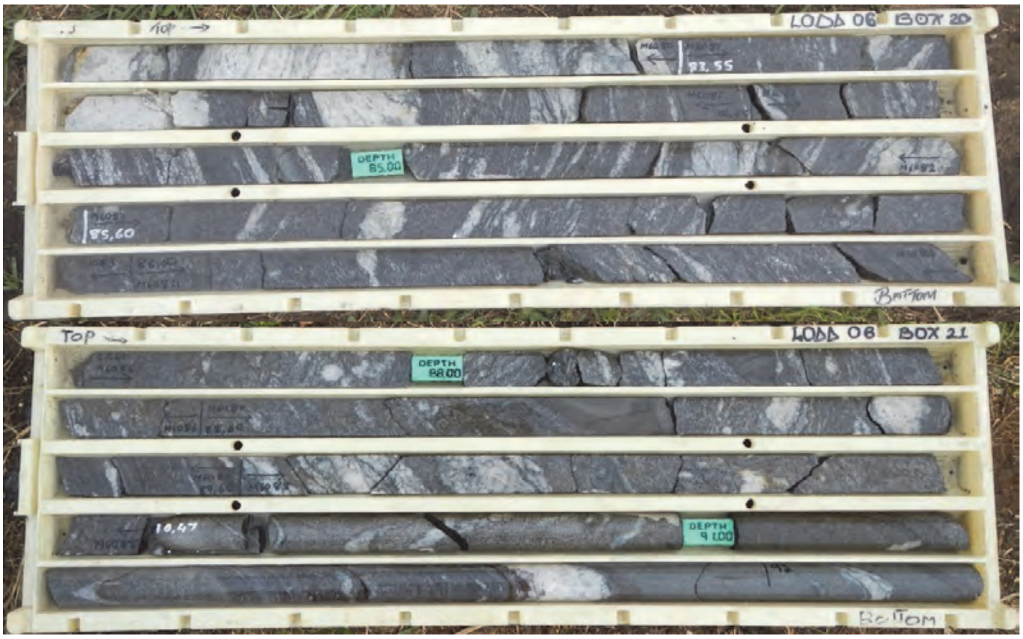
For core logging, SRK makes the following note:

- Core samples were first logged at a high-level then by detailed logging of the identified lithologies, structures and mineralisation;
- Methods included: lithological logging, geotechnical logging, core loss/gain recorded, metre marking and sample interval recording;
- Logging was qualitative, photographic records were taken of all the core material produced from the drilling program;
- All core was logged by all the methods mentioned above; and
- A standard nomenclature was developed and facilitated between two geologists working together on the project to eliminate interpretation errors.

Minrom has a systematic comprehensive logging spreadsheet which was used to record and capture pertinent information.

SRK assessed and verified the exploration drilling, core handling, logging and sampling procedures and found them to be acceptable and properly implemented by Minrom.

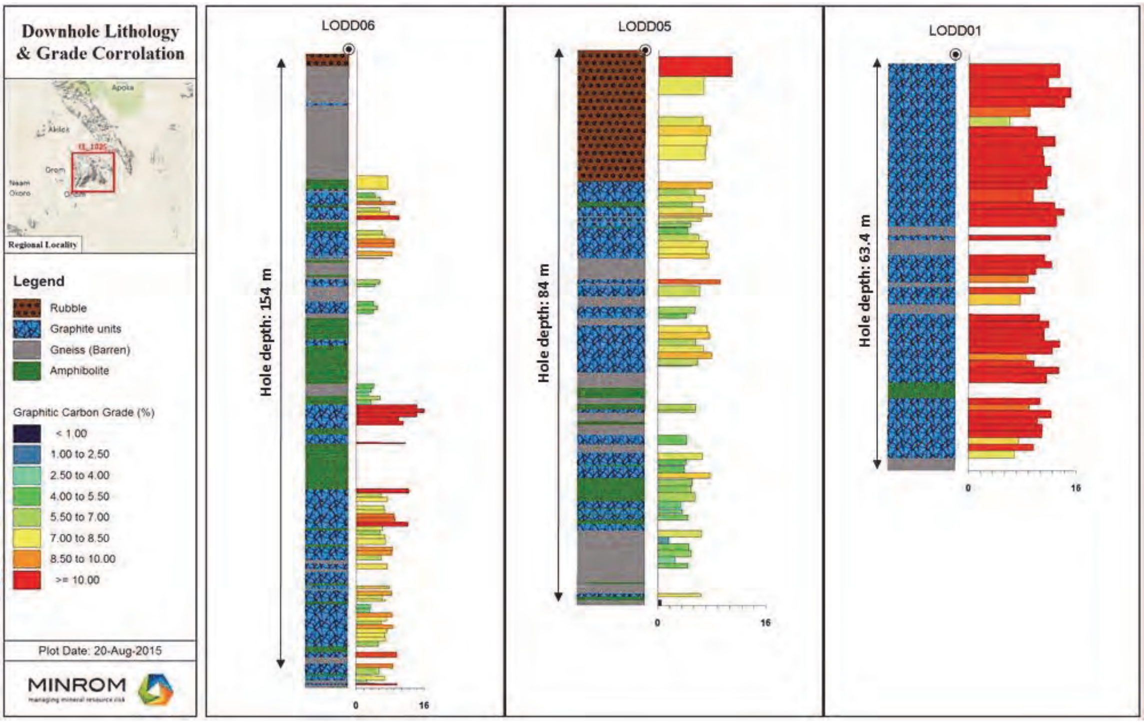
The stratigraphic sequence and the lithological units were recognisable and were identified by SRK in the core (Figure 5-25). The stratigraphic units have been correctly identified and recorded in the logs by Minrom geologists.



srk consulting	**OROM GRAPHITE PROJECT** Diamond drill core	Project No. 548838

Figure 5-25: Logged and sampled exploration diamond drill core from LODD06

The Minrom geologists recorded a visual estimate of the graphite content in the lithological units on the drill hole logs; this was indicative of the carbon percentage as determined by geochemical sample analysis. Examples of the drill hole logs, depicting the percentage of graphitic carbon are shown in Figure 5-26.



srk consulting	**OROM GRAPHITE PROJECT** Drill hole lithological logs with graphitic carbon percent	Project No. 548838

Figure 5-26: Drill hole lithological logs with total graphitic carbon percent depicted

Source: Minrom Report on Phase 1 Mapping and Exploration drilling Orom Project, 2015.

SRK makes the following comment with regards to the Minrom drill hole logs; there was no column, where the formal stratigraphic nomenclature was recorded. SRK did not find an official Minrom stratigraphic column that was being used by the geologists for the logging. Additionally, there was no separate column in which the mineralisation was recorded, with the information being recorded together with and as part of the 'Lithology' field. The measured core bedding angles were recorded as opposed to the dip amount. The sampling intervals of the actual samples taken, don't always match the lithology and their contacts. A few sample intervals were taken where there was no visible graphite mineralisation and some of the core was not sampled where there was some graphite present (however, this is only a very minor proportion).

All 6 drill hole collars were located by SRK in the field (e.g. Figure 5-27) and their positions recorded using a hand-held Garmin Montanna GPS. The differences between the SRK Co-ordinates measured in the field and the actual surveyed coordinates (before being adjusted) were on average less than 1 m horizontal, and elevation around 135 m variance, in SRK's opinion this is significant, even in terms of comparing coordinates measured by handheld GPS and those measured by Total Station. The actual surveyed coordinates were adjusted by 158.484 m upwards to give the elevations recorded in Table 5-2. This elevation difference will be addressed when a Digital Terrain Model is obtained from an accurate topographic survey of the area in the next phase of the exploration.

srk consulting	**OROM GRAPHITE PROJECT** Drill hole collar positions marked with the details on cement caps	Project No. 548838

Figure 5-27: Drill hole collar position markers observed by SRK in the field

The drilling has confirmed that the individual graphite bearing units intersected in the drill holes have true thicknesses that range between 5 m and 36 m. A visually, uniform, good quality graphitic concentration was found throughout the drill hole ore zone intersections.

The analytical results for the drill holes can be summarised as follows: 184 samples out of a total of 218 analysed reported a graphitic carbon content of >5 percent. Of these samples, 68 percent reported above 7 percent graphitic carbon, and the highest grade reported was 16 percent graphitic carbon.

The graphite intersections were qualitatively characterised by Minrom into three groups, namely:

- Low grade;
- Medium grade; and
- High grade.

5.7.3 Phase 3 – Geophysical Survey

In May 2016, a Versatile Time Domain EM (VTEM) (Figure 5-28) and aeromagnetic survey was performed by GeoTech covering over 1,078 km of line.

srk consulting	**OROM GRAPHITE PROJECT** Helicopter VTEM Survey	Project No. 548838

Figure 5-28: Helicopter VTEM Survey of Orom project

Source: Minrom Geophysics Report.

The aim of the survey was to delineate the lithological units containing the graphite mineralisation that were identified during the mapping program by measuring the contrast in their conductivity with the barren host rocks. The results of the aeromagnetic and VTEM surveys are presented in Figure 5-29 and Figure 5-30 respectively.

Areas of high magnetic susceptibility tend to correspond with rocks of the Neoarchean Amuru Group, and low to medium susceptibility over the graphitic lodes (Figure 5-29).

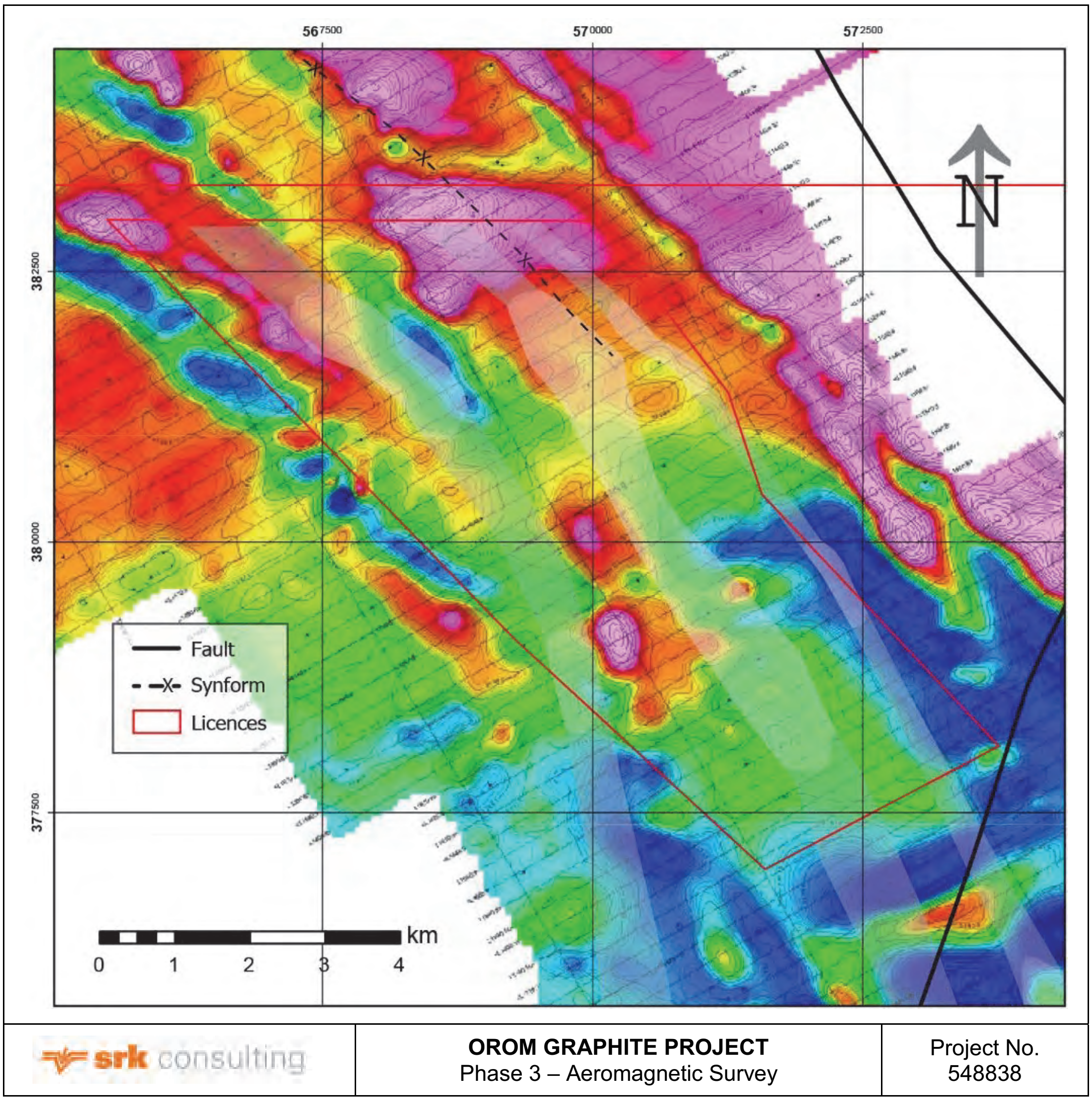
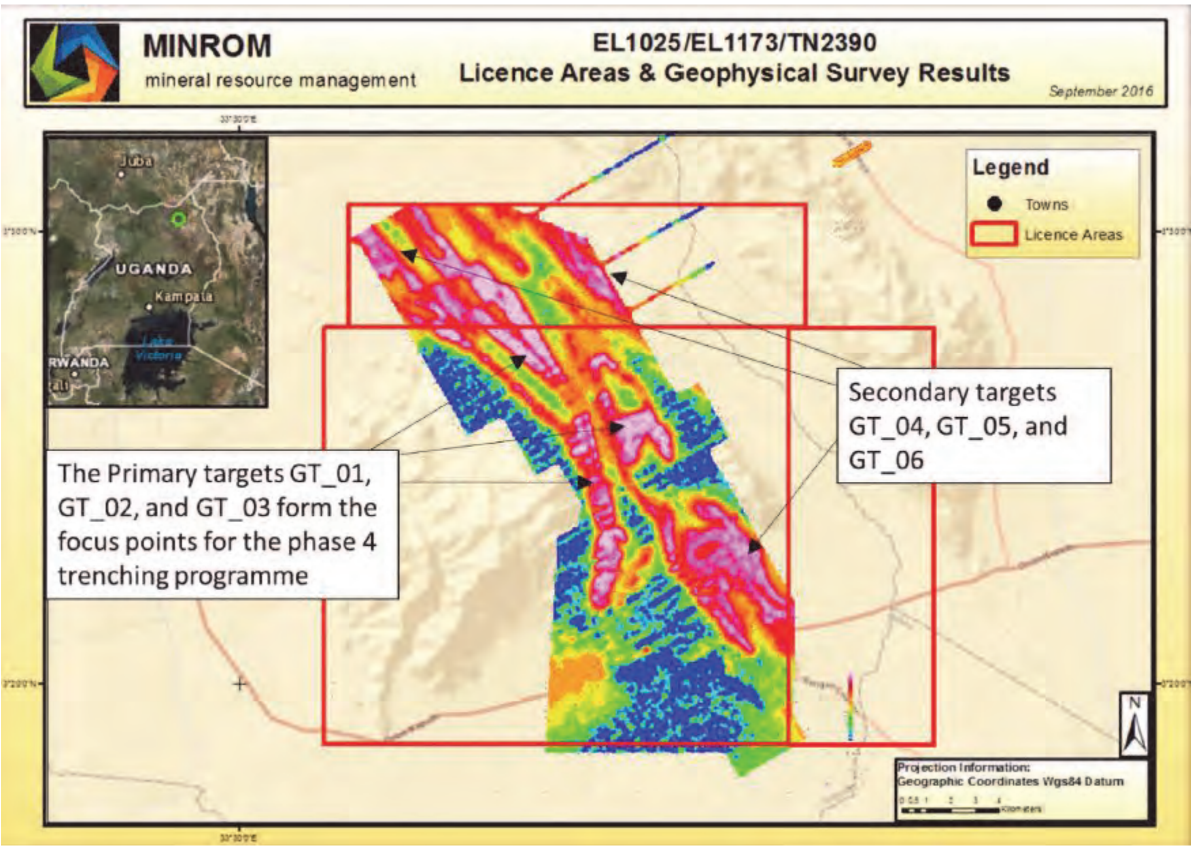


Figure 5-29: Aeromagnetic Survey showing results over northern part of project

Source: Geotech VTEM Report 2016, for Consolidated Africa. Note red and pink colours depict areas of high intensity (more magnetite) and vice versa for blues and greens.

The results from the VTEM survey (Figure 5-30) indicated numerous graphite anomalies, with three primary and three secondary targets identified for follow up work.



srk consulting	OROM GRAPHITE PROJECT Phase 3 – VTEM Survey	Project No. 548838

Figure 5-30: VTEM Survey showing results over northern part of project

Source: Minrom Phase 4 Trenching Report, 2017.

Note red and pink colours depict areas of very high conductivity.

5.7.4 Phase 4 – Trenching

As a direct outcome of the geophysical surveys, phase four exploration began in July 2016, and involved the excavation of three trenches utilising a D8 bulldozer excavator, a Hyundai 30 tonne excavator and a diesel bowser (Figure 5-31). The Central and Northern trenches were spaced 1.3 km apart and the Central and Southern trenches were spaced 5.4km apart in a southeast direction (Figure 5-32).

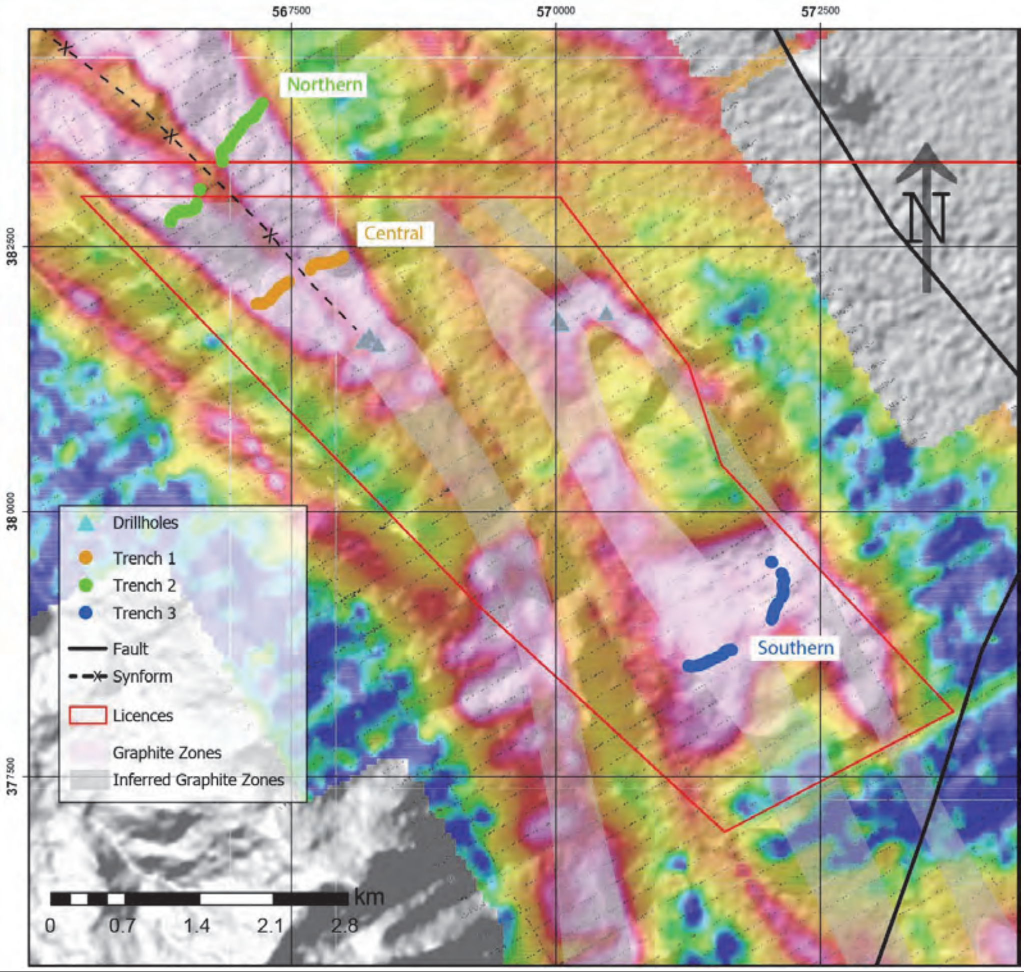
The results from 3 trenches covering over 4,200m, indicated a high level of correlation between the surface graphite occurrence and the VTEM anomalies.

The project objectives of the trenching program were to:

- Investigate the geophysical targets identified during Phase 3 exploration;
- Investigate the lateral extensions and continuity of the mineralised graphite layers;
- Sample graphite bearing lodes in order to determine the grade, potential ore quality, and grade distribution across the area;
- Obtain a bulk sample in order to perform metallurgical test work to determine the quality, flake size distribution, and grade distribution of the graphite mineralisation;
- Develop a conceptual geological model; and
- Deploy the geological model to define potential drilling targets for a phase 5 drilling program.

srk consulting	**OROM GRAPHITE PROJECT** Exposed trenches	Project No. 548838

Figure 5-31: Excavated Trenches for sampling mineralised graphite zones



srk consulting	**OROM GRAPHITE PROJECT** Phase 4 – VTEM showing trenches & drill holes	Project No. 548838

Figure 5-32: Location of Trenches draped over VTEM

Source: Minrom Phase 4 Trenching Report, 2017. Note that the location of the three trenches is over the strongest VTEM anomalies.

The trenches were logged and classified on the following geological criteria:

- A detailed description of the predominant rock types exposed within the trench;
- The associated thicknesses of each unit;
- Relative visual grade of the graphite bearing units;
- Graphite flake size and flake distribution;
- Descriptions of the structural variabilities seen in the hard rock material and structural measurements; and
- Additional descriptions of any unique observed characteristics.

The results were used in the construction of geological wireframes.

A total of 271 samples, from which 12 composites were created, were submitted for analysis to the UIS laboratory in South Africa, where TGC grades were assayed using the LECO method.

Figure 5-33 shows an example of trench sampling of graphitic mineralisation.

srk consulting	**OROM GRAPHITE PROJECT** Trench sampling of graphitic units	Project No. 548838

Figure 5-33: Trench sampling of graphitic units

Source: Minrom Phase 4 Trenching Report, 2017.

The results from the analysis of the composites is presented in Table 5-4.

Table 5-4: Composite analysis from trench samples

Sample Number	Composite	Trench	TGC %
N7011/Comp/1	Comp 1	1	9.07
N7012/Comp/2	Comp 2	1	3.49
N7013/Comp/3	Comp 3	1	7.25
N7014/Comp/4	Comp 4	1	3.08
N7015/Comp/5	Comp 5	2	8.36
N7016/Comp/6	Comp 6	2	4.44
N7017/Comp/7	Comp 7	2	9.15
N7018/Comp/8	Comp 8	2	6.11
N7019/Comp/9	Comp 9	3	8.23
N7020/Comp/10	Comp 10	3	4.4
N7021/Comp/11	Comp 11	3	5.18
N7022/Comp/12	Comp 12	3	4.15

The composite samples numbers 1, 3, 5, 7, 9, 11 represent the medium to high grade composites. Whereas, the composite samples numbers 2, 4, 6, 8, 10, 12 represent the low-medium grade composites.

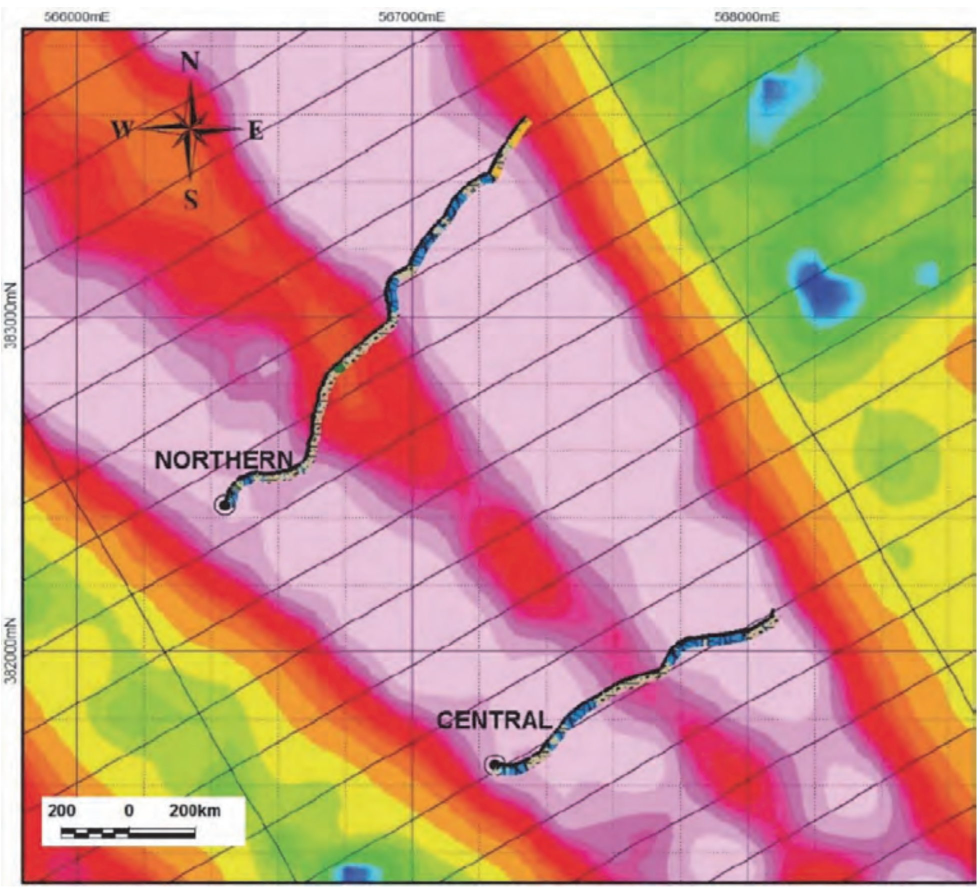
Based on the sample results it was determined that the analysis ranged between 5 to 9 percent TGC for the medium-high grade composite samples and 3 to 6 percent TGC for the low-medium grade composite samples. The average graphitic carbon grade of all the composite samples combined was 6 percent TGC.

Eighteen samples were selected in creating the three metallurgical composite samples. The samples were representative of the three broad grades (low, medium and high) from visual inspection of the mineralisation. These samples were utilised to form three composite samples, one for each grade type. The objective of the study was to determine the grade and recovery at which an on-site pre-concentrate could be produced prior to exportation for further metallurgical upgrading.

The main conclusions from the trenching programme are summarised, from the Minrom 2017 report, below:

- Three mineralised graphitic units were de-lineated that are laterally continuous across the project area;
- These three mineralised zones have a combined thickness of approximately 1,085m and strike lengths of approximately 18km;
- The full widths were exposed in the trenches, and varied in thickness from 150m to 500m;
- A highly positive relationship exists between the geophysical anomalies and the graphite bearing units;
- The general strike of the mineralised graphite units, conforms to the general strike of the geophysical anomalies (northwest to southeast);
- The graphitic gneissic units intersected in the northern and central trench displayed lateral continuity and were later used in the modelling of medium-high, and high-grade graphitic units (Figure 5-34);
- The major rock type encountered was quartzo-feldspathic gneiss. These lithological units are generally devoid of any structural features with the only element of palaeo-bedding observed in the form of different areas containing visually and chemically different compositions. In some areas, coarse-grained garnets were observed in the rock structure;

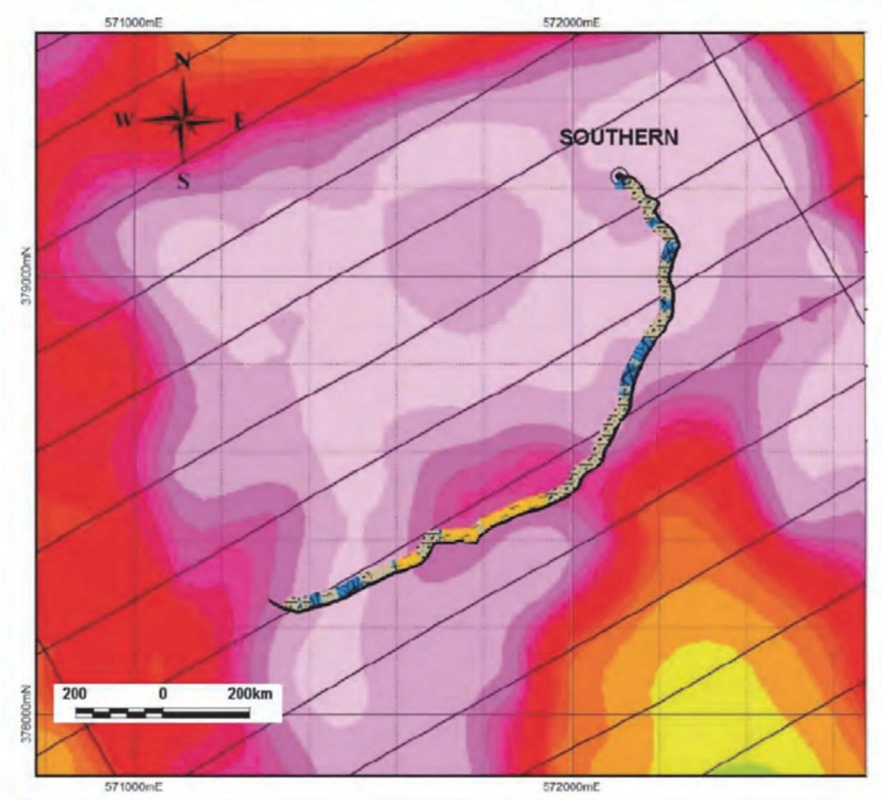
- Dark, medium to coarse-grained amphibolites were observed. These lithological units tend to be more weathering resistant and were located at the topographically higher positions along the trenches;
- Structural measurements consisted of both primary planar fabrics and secondary planar and linear fabrics imposed by numerous deformation and metamorphic events;
- Structural measurements obtained from the northern and central trenches, coupled with VTEM anomaly indicates the presence of a syncline. This structure consisted of primary fabrics (bedding planes) and secondary planar fabrics (schistosity). Field observations indicated that the primary and secondary structural fabrics were generally planar and thus could be grouped together within one data set. The eastern limb contains an average strike and dip of 150°/70° whereas the western limb obtained average strike and dip measures at 320°/68°. Obtained measurements confirm that the limbs of the Northern Syncline ore body close towards the south-east and plunge shallowly towards the north-west at 7°-15° angle;
- The northern and central Trenches were excavated perpendicular to the conductive geophysical anomaly. Where possible structural measurements were recorded along the trench walls of three main lithological units namely, the graphitic gneisses, quartzo-feldspathic gneisses and amphibolites. Structural measurements were obtained from the road cuttings, which connect the northern trench with the central trench; and
- The structural data obtained from the eastern ore body (Southern trench) indicated a more scattered dataset (Figure 5-35). The data does however indicate that the ore unit dips towards the southwest at an average dip of 65°. Based on these measurements and on the general geological features surrounding the areas, the best-fit model correlates to an anticline plunging towards the north-west. However, further delineation by exploration drilling of this area is required in order to develop a better understanding of the ore body.



srk consulting	**OROM GRAPHITE PROJECT** Phase 4 – VTEM showing trenches	Project No. 548838

Figure 5-34: Northern and Central trenches draped over VTEM

Source: Minrom Phase 4 Trenching Report, 2017.



srk consulting	OROM GRAPHITE PROJECT Phase 4 – VTEM showing southern trench	Project No. 548838

Figure 5-35: Phase 4 Exploration – Southern trench draped over VTEM

Source: Minrom Phase 4 Trenching Report, 2017

SRK verification of trenching

The Central and Northern trenches were inspected by SRK (Figure 5-36), the locations of the graphite bearing gneisses and other lithological units noted and verified, and structural measurements were taken. The azimuth and dip angle of the strata (foliation) in the trenches and the areas surrounding the trenches were measured by Minrom and the average regional foliation trend and dip angles determined; SRK took some check measurements on the site visit, see (Table 5 5).

srk consulti	OROM GRAPHITE PROJECT Photos of trenches inspected by SRK	Project No. 548838

Figure 5-36: Photos of trenches inspected by SRK

SRK confirmed the regional foliations and dips as being correct for the inspected trenches based on check measurements taken on the Central trench and in graphite bearing units that lie in between the Central and Northern trenches to verify the Minrom foliation trend and dip measurements (Table 5-5).

Table 5-5: Trench and historical pit locations

Trench / Pit	Easting	Northing	RL
Central Trench middle	567 481	381 826	1 461
Central Trench Top	567 240	381 660	1 480
Northern Trench Start	567 344	383 602	1 398
Northern Trench Middle	566 925	383 104	1 481
Historical Exploration Pit	568 329	381 402	1 466

Note: Coordinates UTM Zone 36S.
Source: SRK site visit (2019).

The graphite bearing units have an average dip direction of 225/70° towards the south west.

5.8 Sampling and Quality Assurance – Quality Control

Sampling and QA/QC protocols were established for drill hole and trench sampling. The following subsections are a summary of the QA/QC program to evaluate the quality of the assays and to make a reasonable assessment for use in future technical programs.

5.8.1 Sampling of Drill hole core

Sampling of drill hole core by Minrom was determined by cutting the diamond drill core in half, with one half remaining in the core tray for reference whilst the other being sent to the SGS laboratory in Johannesburg (South Africa) for geochemical analysis.

The sampling protocol used were as follows:

- The methodology used by Minrom for sampling was consistent; the samples were taken at 1m intervals as far as possible from all potential graphite bearing units intersected by the drill hole;
- The maximum and minimum sample lengths was set to 1.5m and 0.5m respectively; if a sample interval was longer than 1.5m it was divided into two separate samples;
- Sample positions were selected based on the lithological contacts between graphitic bearing and barren lithologies but were not optimised for grade. All zones containing graphite mineralisation were sampled, whereas units not containing graphite were excluded;
- Contacts between the graphite bearing gneisses, barren gneisses, amphibolites and quartzo-feldspathic bands were sharp and thus provided an optimal method for separation;
- Internal waste units within the graphite zones were included in the sample, if they did not exceed 0.5m in length, waste units larger than 0.5m were logged as separate lithological zones and were excluded from sampling; and
- The base and top of the sample interval, along with the assigned sample number, was marked on the core.

A total of 293 samples were taken from all the drill holes and were divided up in to low grade (3 samples), low to medium grade (48 samples), medium grade (95 samples), medium to high grade (119 samples) and high grade (28 samples). Of the 293 samples, 75 were not sent for analysis as they were determined by Minrom to be low-medium grade samples.

5.8.2 Assaying of Drill hole samples

All drill hole samples were prepared by the SGS Johannesburg (South Africa) laboratory. This laboratory holds ISO 17025:2005 certification for LECO analysis of graphite.

Lab preparation of 1m samples included crushing to ~2mm, which were then dried and pulverised to 75 µm before undergoing analysis by LECO (graphite), XRF (major mineral content) and fire assay (gold).

Out of 293 samples, only 218 were assayed for carbon and graphic carbon by LECO. The mean grade obtained for the 218 samples that were submitted to SGS for analysis is 8 percent graphitic carbon. If a cut- off of 5 percent graphitic carbon is applied, 184 samples report above the cut-off and the mean grade obtained is 8.6 percent of graphitic carbon.

In addition, three drill hole samples M6152, M6204, M6244 were selected and submitted to SGS for metallurgical flake size analysis. For M6152 (a high-grade sample from LODD04) and M6204 (a medium to high grade sample from LODD03) the graphite flake sizes screened are predominantly in the jumbo and large flake size categories. For sample M6244 (a medium grade sample from LODD03), the graphite flakes screened are predominantly within the small and medium flake sized categories.

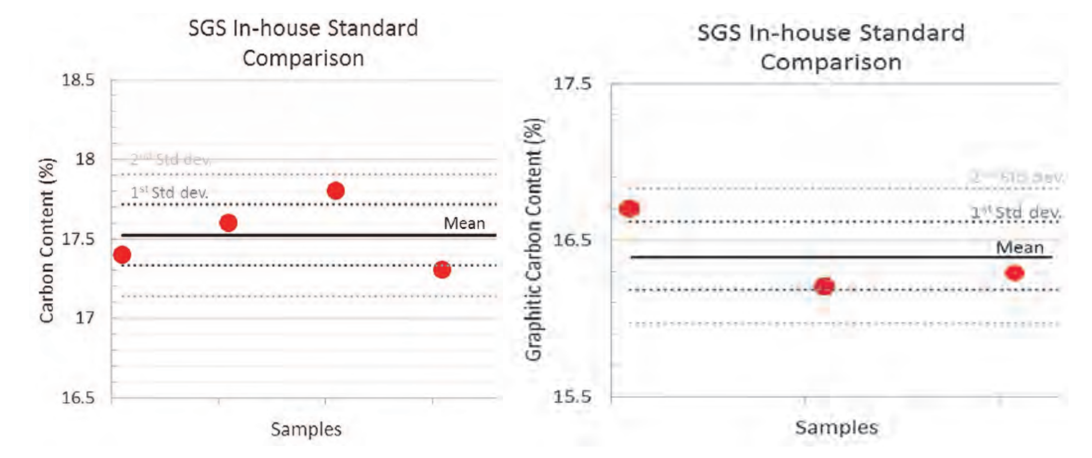
5.8.3 QA/QC of Drill hole samples

QA/QC of drill hole samples included SGS's internal procedures as well as the blind insertion of duplicate samples and in-house graphite standards into the sample stream by Minrom.

The field duplicates and Minrom in house Standards were prepared by SGS from material derived from the previous mapping and sampling programmes. The standards were inserted by Minrom at a rate of 1 in 20. AMIS 0415 Silica blanks were also inserted by Minrom at a rate of 1 in 50. Duplicate analysis was done on some of the samples by SGS as part of their internal laboratory QA/QC procedures.

Internal SGS laboratory QA/QC

As part of their internal QA/QC, SGS routinely included duplicate analysis, the insertion of blanks, Certified Reference Materials (CRMs) supplied by Geostats Pty Ltd (Geostats), and their own SGS Standard Reference Materials. The Geostats CRMs included GGC-02, GGC-03 GGC-05, and GGC-10. The results of the SGS analysis of Geostats GGC-03 CRM for both total and graphitic carbon are shown below, the results all plot within the certified two standard deviations around the mean as shown in Figure 5-37.



srk consulting

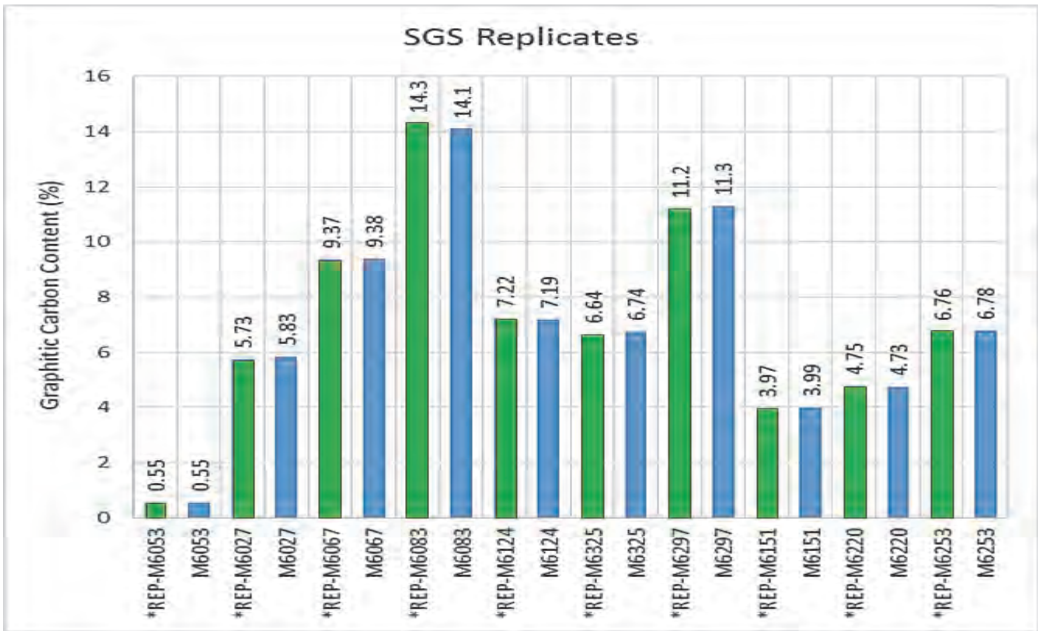
OROM GRAPHITE PROJECT
Graph of values for Geostats CRM GGC-03 for Total Carbon and Graphitic Carbon

Project No. 548838

Figure 5-37: Graph of Internal QA/QC standard analysis for STD-GGC-03 by SGS

SGS Duplicate analysis

Routine duplicate analysis was done on some of the samples by SGS. Ten repeat analysis were completed thus confirming the original values for TGC (Figure 5-38).



srk consulting	**OROM GRAPHITE PROJECT** Internal QA/QC duplicate analysis by SGS	Project No. 548838

Figure 5-38: Internal QA/QC duplicate analysis by SGS

SGS Blanks

The primary purpose of inserting the blanks is to trace any sources of artificially introduced contamination. Seven blank (silica powder) samples were inserted by SGS, and no signs of contamination was evident, with all values reporting below 0.05 percent Graphitic Carbon.

SGS analysis of Geostats CRMs

SGS used the following certified reference materials:

- GGC 02 reported analytical results of 28 percent and 26.3 percent (measured value of 27.0 percent graphitic carbon, with a 1 standard deviation of 1.1);
- GGC 03 reported analytical results of 17.1 percent and 16.5 percent (measured value of 16.3 percent graphitic carbon, with a 1 standard deviation of 1.01);
- GGC 05 reported analytical results of 8.9 percent (measured value of 8.6 percent graphitic carbon, with a 1 standard deviation of 0.5); and
- GGC 10 reported analytical results of 4.9 percent, (measured value of 4.8 percent graphitic carbon, with a 1 standard deviation of 0.3).

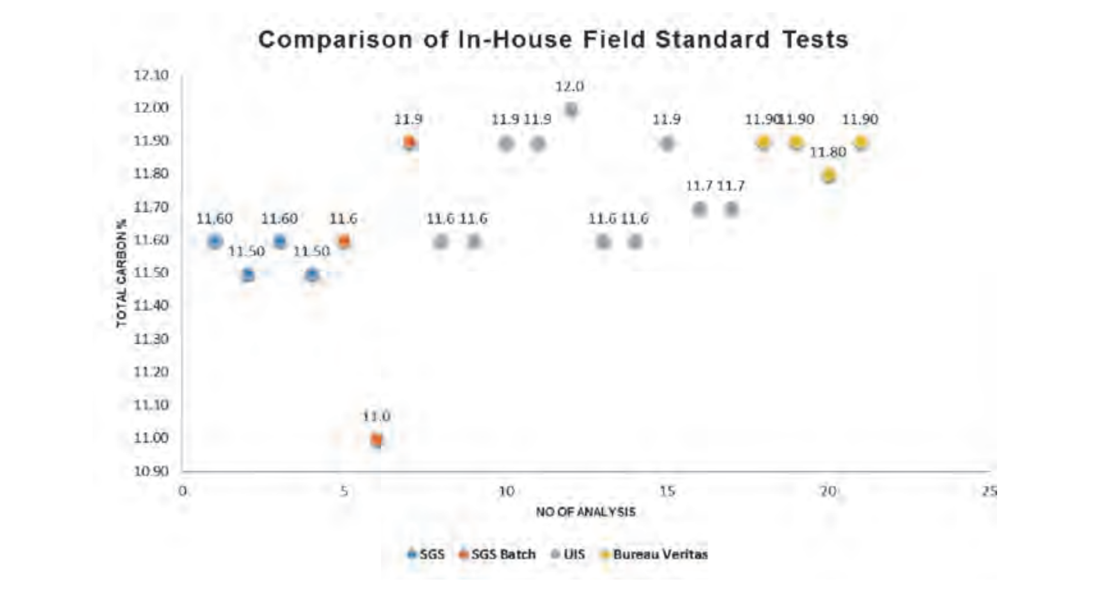
SRK Conclusions of SGS Internal QA/QC Results

The vast majority of the CRMs report within one standard deviation, with a couple reporting within 2 standard deviations. This indicates that the SGS analytical results are accurate and can be used for mineral resource estimation purposes. There is no sign of contamination and repeat analysis indicate a high degree of precision.

Independent (Minrom) QA/QC Protocols

The Minrom project geologist inserted blanks and standards as per the Minrom QA/QC protocols. The in-house standards were inserted at a rate of 1 in 20 basis (5 percent of samples) and the blanks on a 1 in 50 basis (2 percent of samples). The Minrom independent QA/QC initially included using a Minrom in-house graphite field standard, which were inserted in to each sample batch. The in-house standard was prepared by SGS for Minrom from material collected during the previous field sampling of graphite samples.

The graphite samples collected by Minrom during the field mapping and sampling programme were homogenised by SGS and analysed by SGS (using SGS internal methods CSA01V and CSA05V), United Analytical Services (UIS) (using internal method LEUCO CS230), and Bureau Veritas (BV) (using internal method C000T and C005). The results are illustrated on Figure 5-39 and presented in Table 5-6.



OROM GRAPHITE PROJECT
Graph of Minrom In-House Standards analysis by SGS, UIS and Bureau Veritas

Project No. 548838

Figure 5-39: Graph of Minrom In-House Standards analysis by SGS, UIS and BV

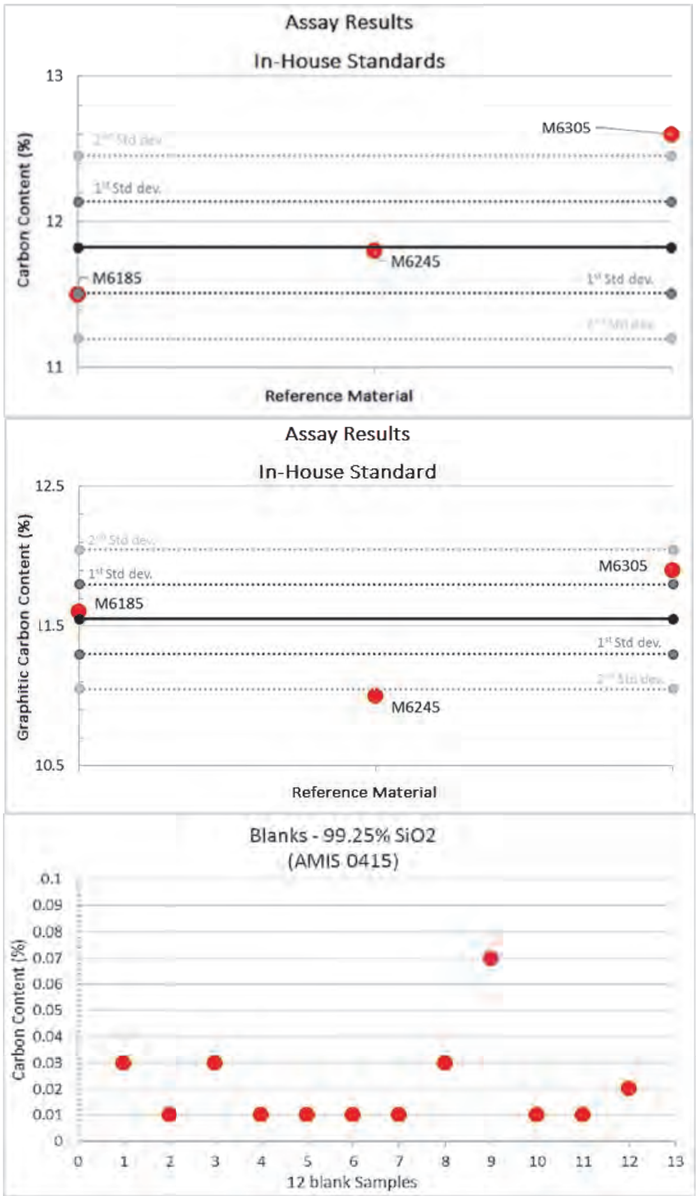
Table 5-6: Minrom in-house standards values determined and the actual lab assay results

Averages for TGC and GC	TGC %	TC %	No. Repl.	Std. Dev. TGC %	Std. Dev. TC %
SGS Batch 1	11.55	11.83	4	0.05	0.04
SGS Batch 2, Repeat analysis	11.50	11.97	3	0.37	0.46
UIS	11.76	12.04	10	0.19	0.13
BV	11.88	12.30	4	0.04	0.00
Average	11.67	12.03	21	0.16	0.16

Note: TC – Total Carbon; TGC – Total Graphitic Carbon.

Independent QA/QC results for SGS

The actual lab assay results determined for the Minrom in-house standards that were inserted for QA/QC purposes all report within 2 to 3 Standard deviations of the measured value of 12 percent TGC, with a Standard Deviation of 0.2 (Figure 5-40). The QA/QC results obtained for the standards confirmed the accuracy of the SGS assay results.



srk consulting	**OROM GRAPHITE PROJECT** Standard and Blanks analysis	Project No. 548838

Figure 5-40: Minrom Independent QA/QC Graphs of In House Standard and Blanks analysis

Note: Graphitic Carbon content interchangeable with Total Graphitic Carbon content.

Independent Blanks

AMIS 0415 Blank Silica powder CRMs which were sourced from African Mineral Standards in South Africa were inserted in-between the primary samples. There was no significant contamination reported.

SRK Conclusions for SGS Results of Independent QA/QC

In SRK's opinion the preparation and use of in-house standards in the absence of recognised certified reference materials (CRM's) for specific analytical methods is reasonable provided they are well characterised chemically. The in-house standards inserted my Minrom are within two standard deviation, with one reporting to within three standard deviations. The QA/QC for the exploration drill hole samples is therefore of an acceptable standard. This indicates that the SGS analytical results are accurate and can be used for mineral resource estimation purposes. There is no sign of any significant contamination.

5.8.4 Sampling of Trenches

A total of 271 samples were taken during the trenching program, 107 from the Northern Trench, 83 from the Central trench and 81 from the Southern Trench. From this, a total of 12 composite samples were created from all the trench samples and submitted for analysis. Sample locations were selected based on the delineation of the mineralised graphite units during the trench lithological mapping campaign.

The units were classified into individual graphite bearing bands ranging from low to high grade and sampled as follows:

- In the medium to low grade sections, the sample locations were spaced approximately 10 metres apart;
- In the high-grade sections, a single sample was taken for each high-grade section. The high-grade sections rarely exceeded 2 m in width, but in cases where they did, an additional sample was taken in the remaining portion in excess of 2m to ensure the whole unit was sampled;
- The samples were extracted from the wall of the trench at a perpendicular angle to the bedding plane in order to sample, as accurately as possible, the true thickness of the graphite bearing bands;
- The samples taken as representatively and accurately as possible;
- Making use of a rock hammer and a shovel, a fresh section of the unit was extracted from the trench wall and the sample collected;
- The material was placed inside a sample bag (300mm by 250mm by 200 μ);
- A unique sample ticket number was assigned to each bag, the sample ticket was inserted into the bag and the ticket number was also written on the outside with a permanent marker;
- The sample bag was sealed with a cable tie, placed within a double casing of two poly woven bags, and sealed to prevent degradation, loss and damage to the samples during transportation;
- Field samples were visually selected portions that were taken of the trench wall material which, to represent the overall exposed material from the specific sample location. They were taken exclusively from the gossan material exposed by the trenching in order to obtain an estimate of the mineral content; and
- The samples were transported to South Africa (OR Tambo) and collected by the Minrom geologist from the export agent at JVW global freight solutions:
  - The samples were split by the Minrom geologist according to the sample splitting protocol
  - The samples were submitted for analysis and transported to and delivered to the UIS laboratory by Minrom.

5.8.5 Assaying and Compositing of Trench samples

Trench samples were prepared and assayed by the UIS laboratory. This laboratory conforms to the South African National Accreditation System and holds ISO/IEC 17025 certification. The analytical method employed for graphitic and total carbon in soil/ore samples is by combustion and infrared detection by the LECO CS 230 instrument.

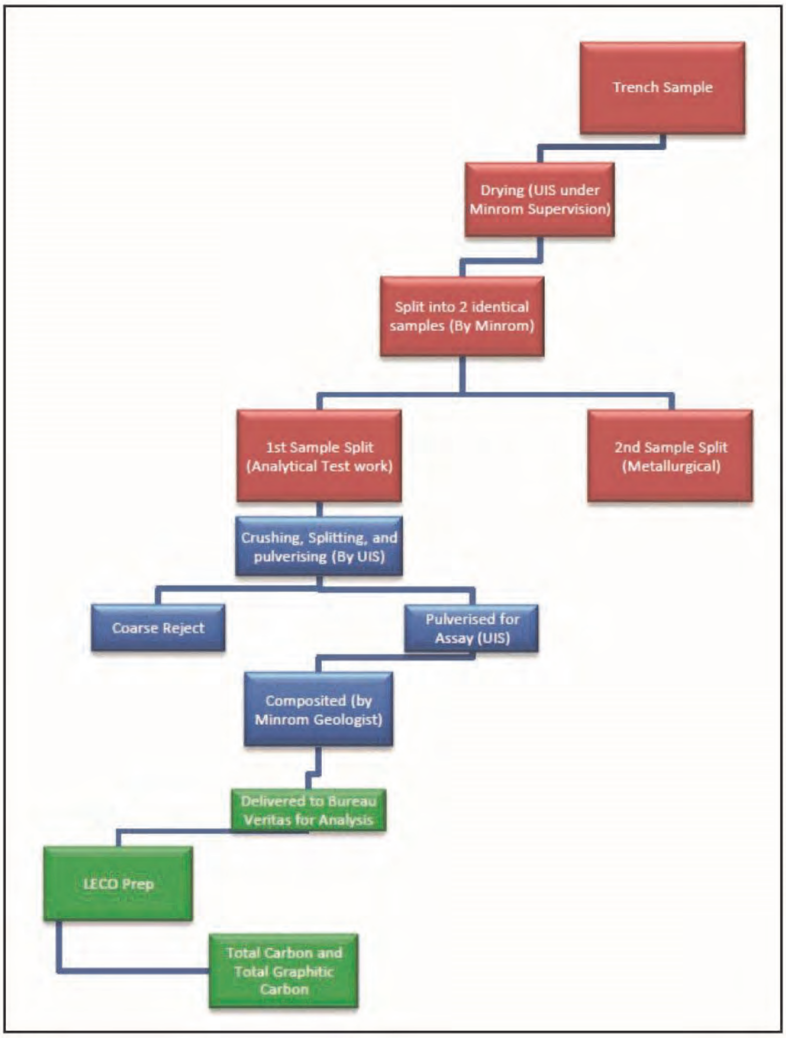
A Minrom geologist initially split all trench samples in two equal portions using a Jones riffle splitter. Rock fragments too large to pass through the riffle splitter were divided in half by the Minrom geologists and placed within each of the split portions. One portion of the sample was used for compositing while the remaining portion is stored for reference purposes.

The sample material preparation included the following:

- Drying of the samples at UIS in Centurion;

- Splitting by the Minrom geologist for the purpose of creating 2 identical composites for different applications i.e. the analytical test work and metallurgical test work;
- The first sample split was demarcated for analytical test work and submitted to UIS for sample preparation (crushing, splitting, and pulverising), followed by compositing by the Minrom geologist prior to being transported to the Bureau Veritas laboratory which holds international accreditation to test for graphitic carbon by the LECO method;
- The second split portion of the coarse reject sample was stored for metallurgical test work.

The sample splitting procedure is illustrated in Figure 5-41.



srk consulting	**OROM GRAPHITE PROJECT** Sample splitting flowsheet	Project No. 548838

Figure 5-41: Sample splitting flowsheet - trench samples

Source: Minrom Phase 4 Trenching Report, 2017.

Note: Red – Minrom/supervised, Blue – UIS, Green – Bureau Veritas.

A total of twelve composite samples were collected to test the high-level of variability in the grade distributions. These included 6 low to medium grade samples (3 from the eastern limb and 3 from the western limb) and 6 medium to high grade samples. In addition 2 un-mineralised sample composites were collected and two composite standards were also included to give a total of 16 composite samples that were sent for analysis (see Table 5-4 for a list of the composite samples, their locations and grades).

The protocol for compositing of the trench samples was as follows:

- The 252 samples were crushed, split and pulverised, by UIS Laboratory;
- The Minrom geologist split each individual pulp into five equal portions, one fifth of which was inserted into the composite sample according to the specifications below.

There were 12 composite samples in total, 4 composite samples per trench.

A high grade and a medium grade composite sample were created (for each synclinal limb and each individual trench) by combining the samples extracted from each limb;

- The high-grade composites included medium to high grade samples and high-grade samples;
- The medium grade composites included medium to low grade samples and medium grade samples;
- The 12 composite samples were assayed for total carbon and graphitic carbon by LECO.

The homogenised samples were submitted to the Bureau Veritas laboratory for analysis of total carbon and total graphitic carbon by LECO.

Initially the samples were analysed by LECO for total carbon content, which includes the combined organic, inorganic and graphitic carbon content. The samples were then subjected to the following steps prior to analysis for graphitic carbon:

Removal of the inorganic carbon;

- The inorganic material within the samples is located within the carbonate minerals such as $CaCO_3$ and $MgCO_3$; the samples are therefore treated with diluted hydrochloric acid which dissolves the carbonates and releases the carbon as CO_2 thus removing the inorganic carbon ($2H^+ + CO_3^{2-} = H_2O + CO_2$ (gas));

Removal of the organic carbon,

- The organic carbon within the samples is referred to as free carbon (e.g. coal). To remove the organic carbon, the samples are heated to 425°C at which the organic carbon will combust and be burnt off, thus removing it from the samples.

After the organic and inorganic carbon were removed and the graphitic carbon content was then analysed for by LECO.

5.8.6 QA/QC of Trench samples

Sample quality and precision for trench samples was controlled by the insertion of QA/QC samples including blank silica powder material, CRMs, and field and pulp duplicates. The UIS laboratory implements an internal QA/QC protocol by the insertion of African Mineral Standards (AMIS) CRMs into the sample stream. Minrom's independent QA/QC protocols as discussed below.

Bureau Veritas Internal Laboratory QA/QC

A total of 36 trench samples sent for analysis. The Bureau Veritas internal QA/QC included the insertion of 15 CRMs 5 Blanks and 4 sample pulp duplicates.

CRMs

The CRMs used include GGC-05 (which reported 8.65 percent TGC, 8.63 percent TGC; 9.2 percent TC, 9.18 percent TC); GGC-10 (which reported 4.78 percent TGC, 4.79 percent TGC, 5.25 percent TC and 5.23 percent TC); GGC-02 (which reported 26.5 percent TGC and 27.8 percent TC); CGL003 (which reported 14. 0 percent TC and 13.5 percent TGC); CGL004 (which reported 13.40 percent TC and 12.7 percent TGC), and GGC-01 (which reported 26.90 percent TC). The reported values are all close to the certified values or within 2 standard deviations, indicating the analysis is accurate.

Blanks

Five silica Blanks were inserted which all reported <0.02 percent TC and TGC, indicating no signs of contamination.

Duplicates

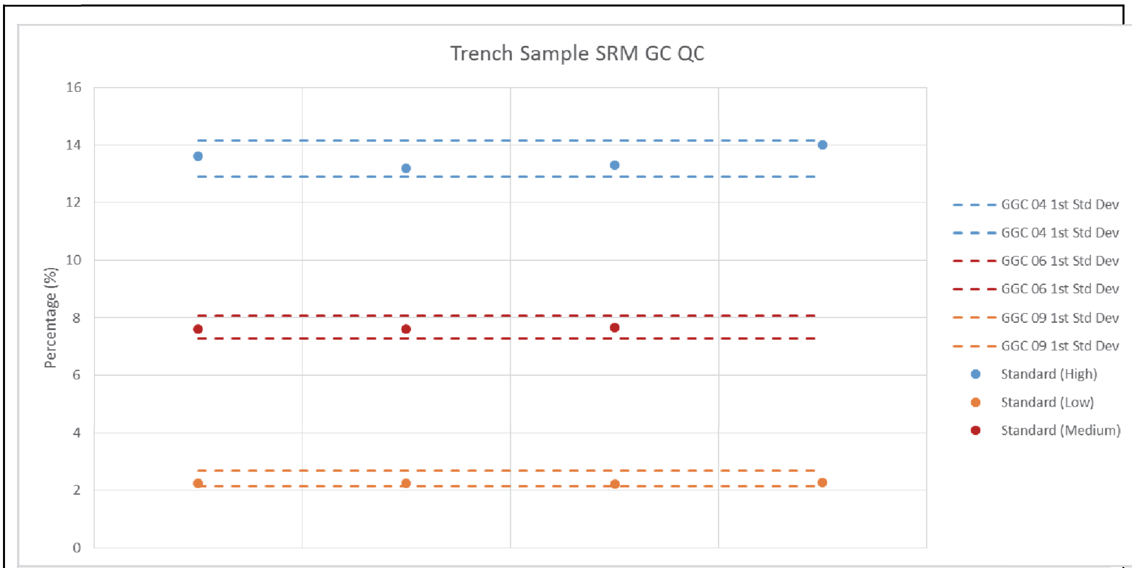
The 4 sample pulp duplicate analysis came back with values very close to the originals (54.1 percent TC vs 53.3 percent TC, 6.58 percent TC vs 6.58 percent TC, 7.26 percent TC vs 7.15 percent TC and <0.2 vs <0.2 percent TC and also GC percent), indicating a high degree of precision and repeatability.

Independent QA/QC for UIS Laboratory

Minrom obtained CRMs from Geostats in Perth (Australia), and these were inserted in to the stream together with the trench samples and sent to UIS for analysis (Table 5-7).

Table 5-7: Graphite Certified Reference Material inserted by Minrom

Graphite CRMs inserted by Minrom	**Certified Graphite Pulp Reference Material**					
Geostats Pty Ltd		**Units**	**Grade**	**Std. Dev.**	**No of Analyses**	**95% Conf. Int.**
GGC-04	Graphitic Carbon	%	13.5	0.64	50	+/- 0.18
	Total Carbon	%	14.2	0.97	50	+/- 0.28
	Total Sulphur	%	0.05	0.02	50	+/- 0.005
GGC-06	Graphitic Carbon	%	7.68	0.38	49	+/- 0.11
	Total Carbon	%	8.16	0.24	49	+/- 0.07
	Total Sulphur	%	0.05	0.02	50	+/- 0.005
GGC-09	Graphitic Carbon	%	2.41	0.27	50	+/- 0.08
	Total Carbon	%	2.95	0.1	48	+/- 0.03
	Total Sulphur	%	4.59	0.13	50	+/- 0.04



srk consulting | **OROM GRAPHITE PROJECT** Independent QA/QC, Plot of UIS Laboratory analysis of CRMs | Project No. 548838

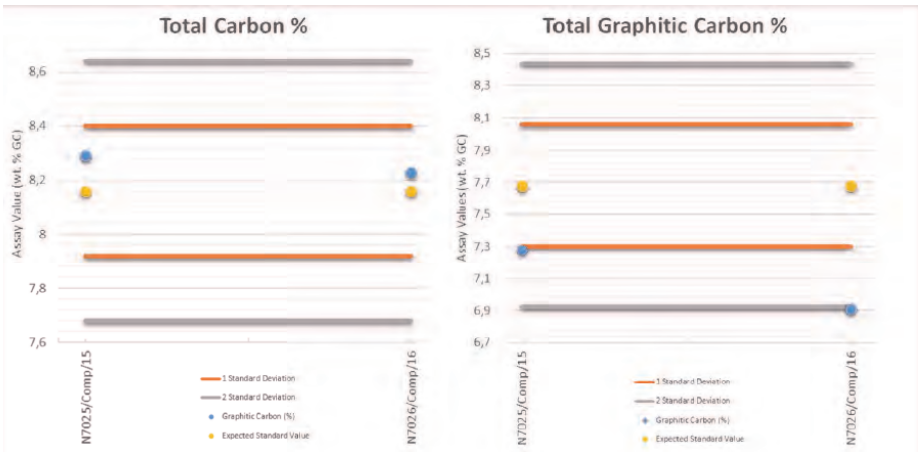
Figure 5-42: Independent QA/QC Plot of CRMs for the UIS laboratory

UIS Laboratory analysis of CRMs

A total of 3 different CRM's were used, and 12 CRM blind samples were inserted amongst the trench sample stream, namely 4 of a low graphitic carbon content (GGC09), 4 of a medium TGC content

(GGC06), and 4 of a high TGC content (GGC04). The assay results for all 3 of the different CRMs (a total of 12 samples) plot within 1 standard deviation of the certified values for TGC (Figure 5-42).

Minrom independent QA/QC for the trench composite samples included the insertion of a certified graphite standards Geostats GCC-06 in between the samples sent for analysis (Figure 5-43).

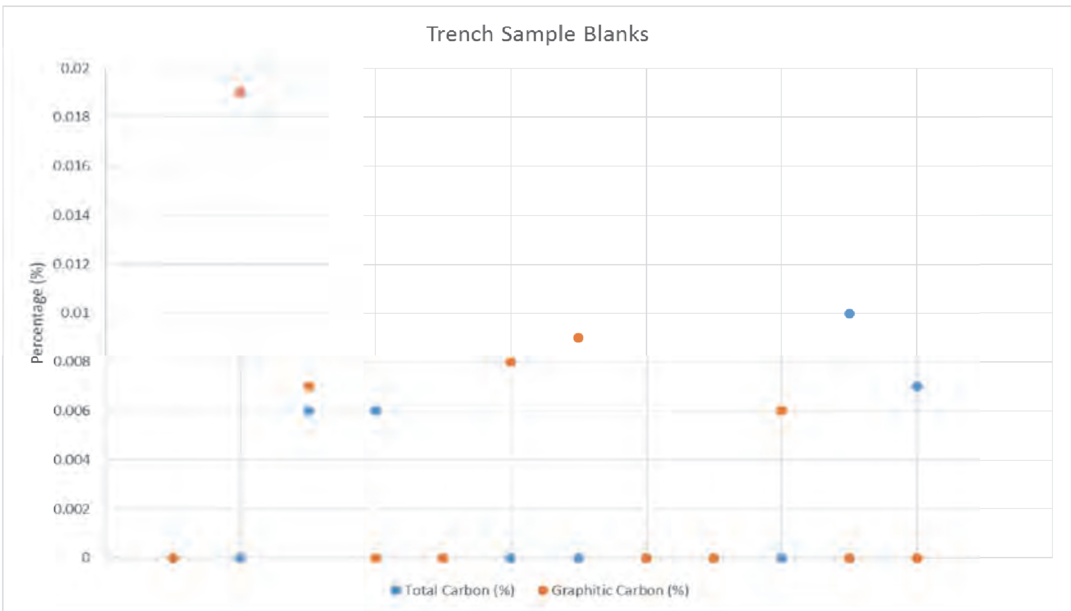


srk consulting	**OROM GRAPHITE PROJECT** Independent QA/QC, Plot of UIS Laboratory analysis of CRM GCC-06	Project No. 548838

Figure 5-43: Independent QA/QC, Plot of UIS Laboratory analysis of CRM GCC-06

Independent Blank Samples

The AMIS 0415 blank samples inserted by Minrom consisted of silica powder (99.3 percent SiO_2). Twelve blank samples were inserted in between the trench samples, and they showed very little or no evidence of contamination; the values ranged from 0.006 percent to 0.02 percent maximum for TC and TGC respectively. The level of contamination is regarded by SRK as insignificant (Figure 5-44).



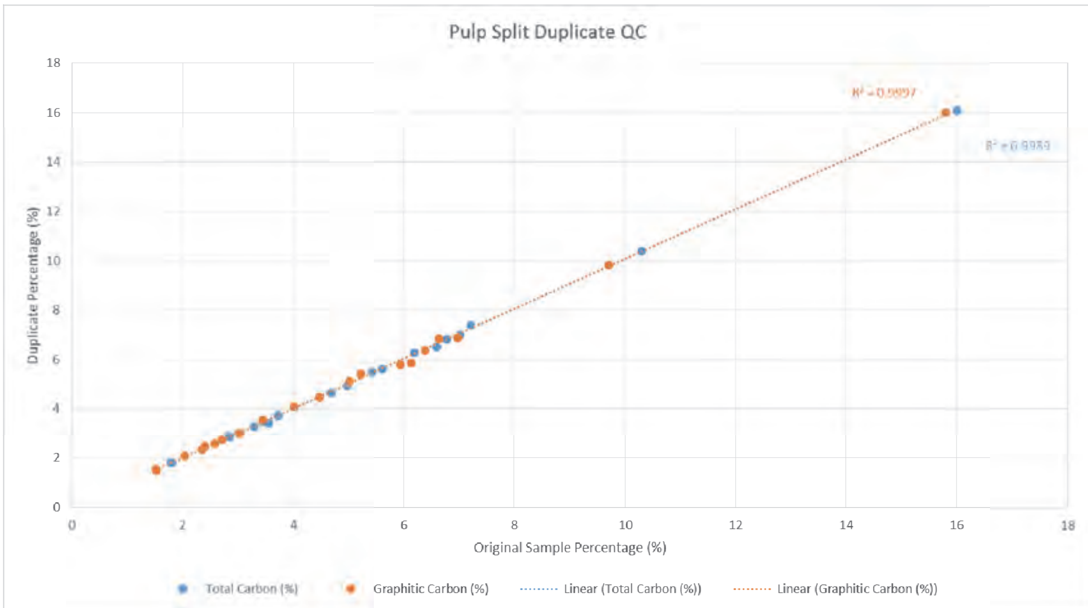
srk consulting	**OROM GRAPHITE PROJECT** Independent QA/QC, Plot of UIS Laboratory analysis of Blanks	Project No. 548838

Figure 5-44: Independent QA/QC, Plot of UIS Laboratory analysis of Blanks

In addition, two blank samples (N7023 and N7024) were submitted by Minrom together with the 12 composite samples. The TGC values obtained were less than 0.02 percent TGC indicating that there was no contamination of the samples during the crushing, splitting and compositing of the samples.

Independent Duplicate Samples

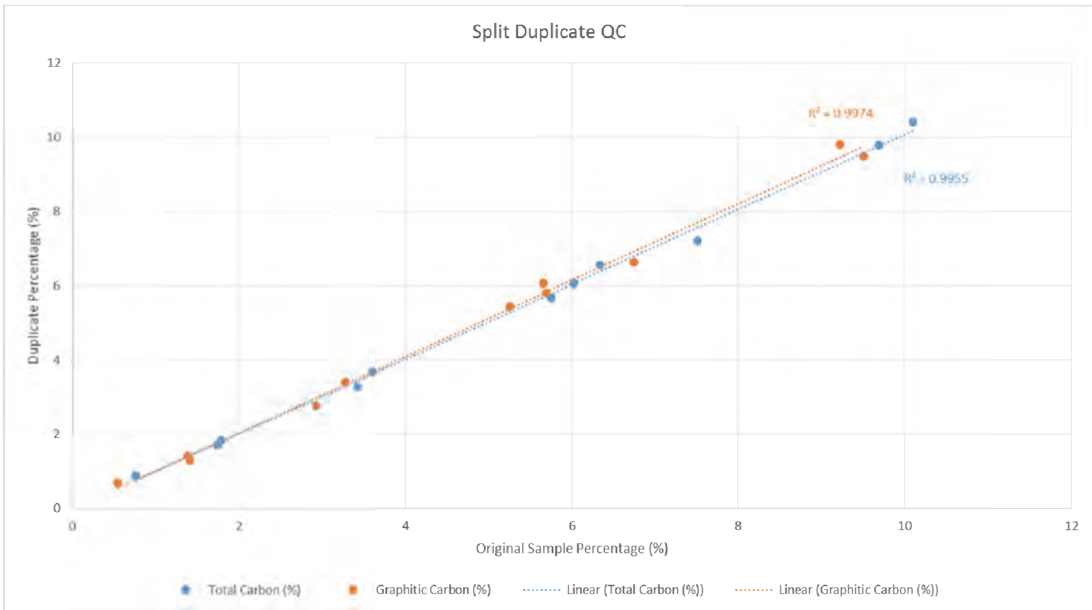
As a measure of precision, Minrom submitted 20 pulp split duplicates. The results exhibit an excellent correlation and high level of precision, with the original samples for both TC and TGC (Figure 5-46).



srk consulting	**OROM GRAPHITE PROJECT** Independent QA/QC, Plot of UIS Laboratory analysis of Pulp Duplicates	Project No. 548838

Figure 5-45: Independent QA/QC, Plot of UIS Laboratory analysis of Pulp Duplicates

Minrom submitted 11 duplicate split (coarse reject) samples, which exhibit a very good correlation with the original samples submitted. The coefficients of correlation are 0.996 for TC and 0.997 for TGC respectively, see Figure 5-46.

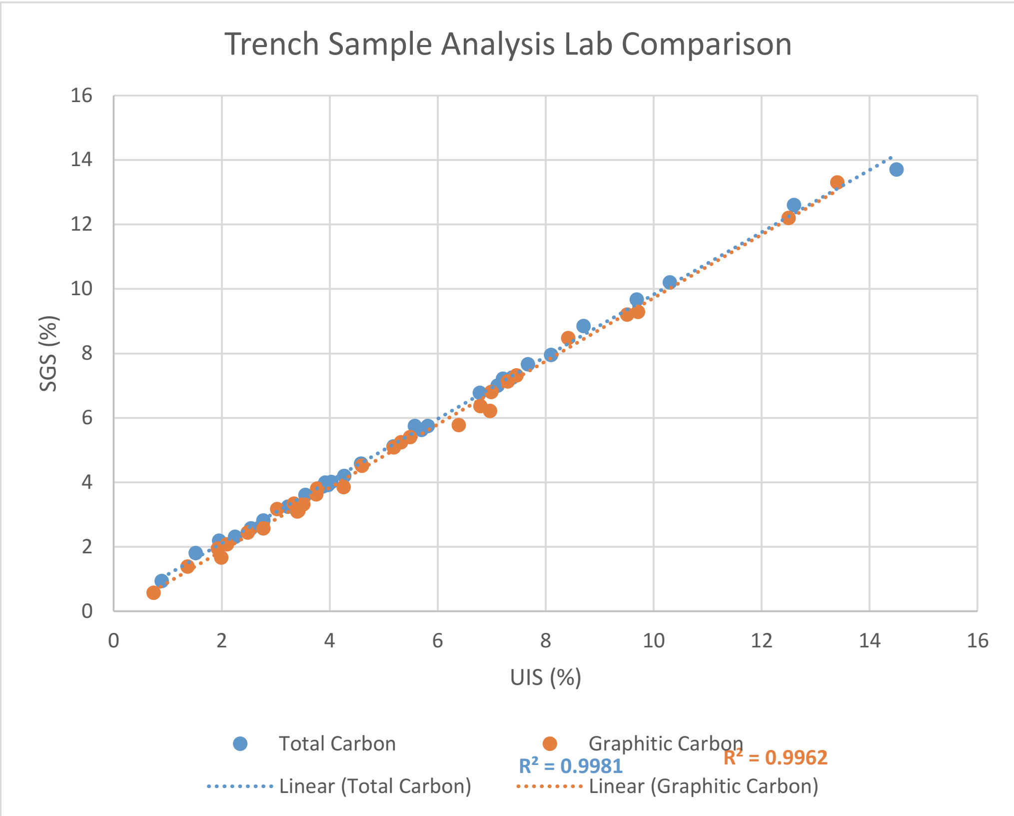


srk consulting	**OROM GRAPHITE PROJECT** Independent QA/QC, Plot of UIS Laboratory analysis of duplicates from sample coarse rejects	Project No. 548838

Figure 5-46: Independent QA/QC, Plot of UIS Laboratory analysis of duplicates from sample coarse rejects

Umpire Laboratory samples

As part of the Independent QA/QC, thirty selected samples that were analysed at UIS were also submitted by Minrom to SGS as an Umpire Laboratory for further checks. The analytical results from the two Laboratories correlate very well, with coefficients of regression of 0.9981 for TC and 0.9962 for TGC respectively (Figure 5-47).



srk consulting	**OROM GRAPHITE PROJECT** Trench sample Umpire Laboratory sample analysis UIS and SGS	Project No. 548838

Figure 5-47: Trench sample Umpire Laboratory sample analysis at UIS and SGS

SRK Opinion on QA/QC of Trench Results

The four Geostats CRMs inserted by Minrom cover a range of TGC from 2.4 to 13.5 percent and are within one certified standard deviation of the certified values. The QA/QC results obtained for the trench samples demonstrate excellent accuracy. Significant contamination of the Blank samples is not evident. Both the pulp and coarse reject duplicate samples exhibit excellent correlation with the original samples, indicating a high degree of repeatability and precision for the analysis. The umpire laboratory analysis of samples that were first analysed at UIS and then submitted to SGS, shows that the analytical results from the two laboratories exhibit an excellent correlation and again, good precision. This indicates that the analytical results from both Laboratories are reasonable. Similarly, the QA/QC sample analysis done by Bureau Veritas indicates that the analysis is accurate, precise, and that no contamination of the samples occurred.

Overall both the internal and the independent QA/QC results indicate that the UIS and SGS analytical results are accurate and are reasonable for use in further studies.

6 Exploration Target

Independent Resource Estimations (a South African consultant company) reported an Exploration Target for the Project in accordance with the JORC Code (2012) guidelines.

The Competent Person for the estimate is Mr Dexter Stewart Ferreira who has given his written consent (dated 3rd September 2019) as pursuant to the requirement of Clause 9 of the JORC Code (2012) for inclusion of the results in this CPR.

Exploration Target ranges were estimated for the top 20 m (weathered zone) of the deposit, and below 20 m to give the following ranges using a cut-off of 5 percent TC:

- Top 20 m: 26.1 Mt grading 4.3 percent TGC to 48 Mt grading 8.1 percent TGC;
- Below 20 m: 675 Mt grading 4.2 percent TGC to 1,254 Mt grading 7.8 percent TGC.

The Exploration Target ranges are presented in Table 6-1.

Table 6-1: Exploration Target dated 2 September 2019

Part of Deposit	Min. Mt	Min. TC (%)	Min, GC (%)	Max. Mt	Max. TC (%)	Max. TGC (%)
Top 20m	26.1	4.7	4.3	48	8.7	8.1
Below 20m	675	4.6	4.2	1,254	8.5	7.8
TOTAL	701	4.6	4.3	1302	8.5	7.8

Source:

Reported using a cutoff of 5 % TGC

*Note: appropriate rounding applied. Min. – minimum; Max. – maximum; Mt – million tonnes; TC – total carbon; TGC – total graphitic carbon.

An Exploration Target is a statement or estimate of the exploration potential of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and a range of grade (or quality). The potential quantity and grade is conceptual in nature, that there has been insufficient exploration to estimate a Mineral Resource and that it is uncertain if further exploration will result in the estimation of a Mineral Resource.

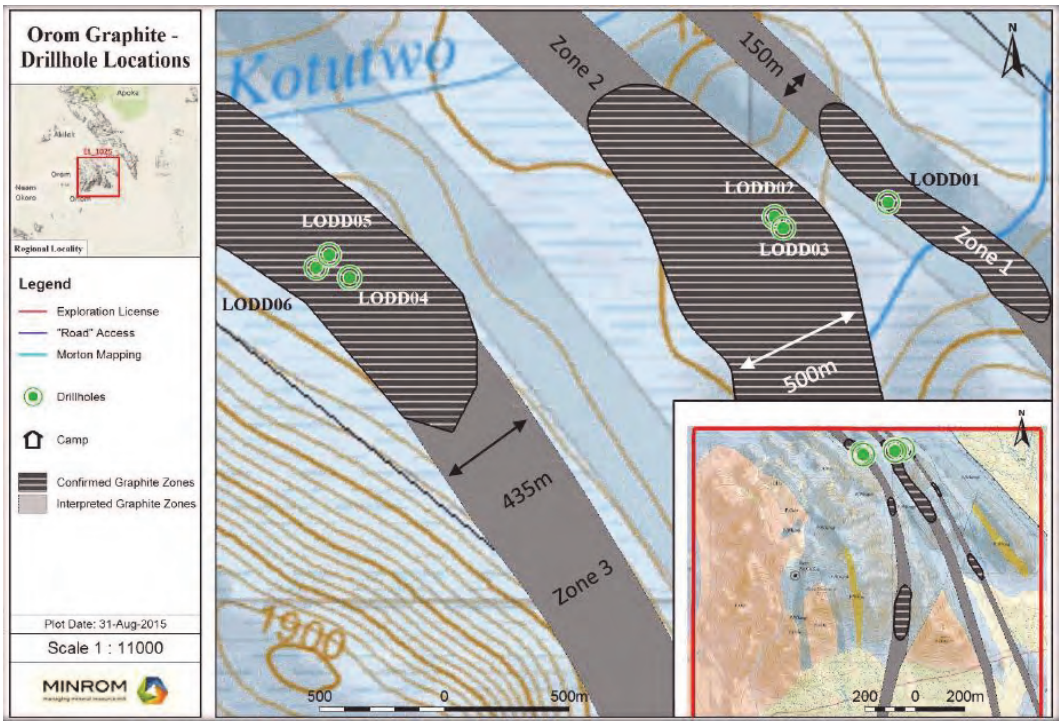
The reader is referred to Section 9 of this CPR which outlies the proposed exploration activities and timeframe which has been designed to test the validity of the exploration target with the aim of defining Mineral Resources.

A summary of the model and parameters used to determine the Exploration Target ranges is provided in the following sections.

6.1 Dimensions of Graphitic Lodes

Three mineralised graphite bearing units (zones) occur adjacent to each other and are laterally continuous across the project area. These zones (1, 2 and 3) have a combined thickness of approximately 1,085 m and strike lengths of approximately 18km. They trend north-northwest to south-southeast (with an average strike direction of 315°) and have outcrop widths varying from 150 m to 500 m as exposed in the trenches (Figure 6-1).

- Zone 1 has a strike length of 18,319 m and a 150 m width of outcrop;
- Zone 2 has a strike length of 18,774 m and a 500 m width of outcrop; and
- Zone 3 has a strike length of 18,542 m and a 435 m width of outcrop.



srk consulting	**OROM GRAPHITE PROJECT** Location of the mineralised graphite Zones	Project No. 548838

Figure 6-1: Location of the mineralised graphite Zones (1, 2, and 3)

Source: Minrom Report on Phase 1 Mapping and Exploration drilling Orom Project, 2015. See Figure 5-11 for detail of the geology inset map.

The graphitic zones appear to be weathered down to a vertical depth of approximately 20 m on average, as determined from information recorded in the drill hole logs. The transition to fresh rock has been inferred from the position where there was a switch over from HQ to NQ sized core during the drilling. This implies that approximately 18 percent of the mineralisation down to 100m consists of weathered material.

The graphite bearing zones have an average dip direction of 225° (southwest) at a dip angle of 70°. SRK has confirmed that the surface outcrop of the mineralised graphite units is extensive and continuous across the Project area (Figure 6-2 and Figure 6-3).

OROM GRAPHITE PROJECT
Graphite gneiss outcrop in the project area near the Northern trench

Project No. 548838

Figure 6-2: Graphite gneiss outcrop in the project area near the Northern trench

Source: SRK Photo.

OROM GRAPHITE PROJECT
Graphite outcrop in trenches

Project No. 548838

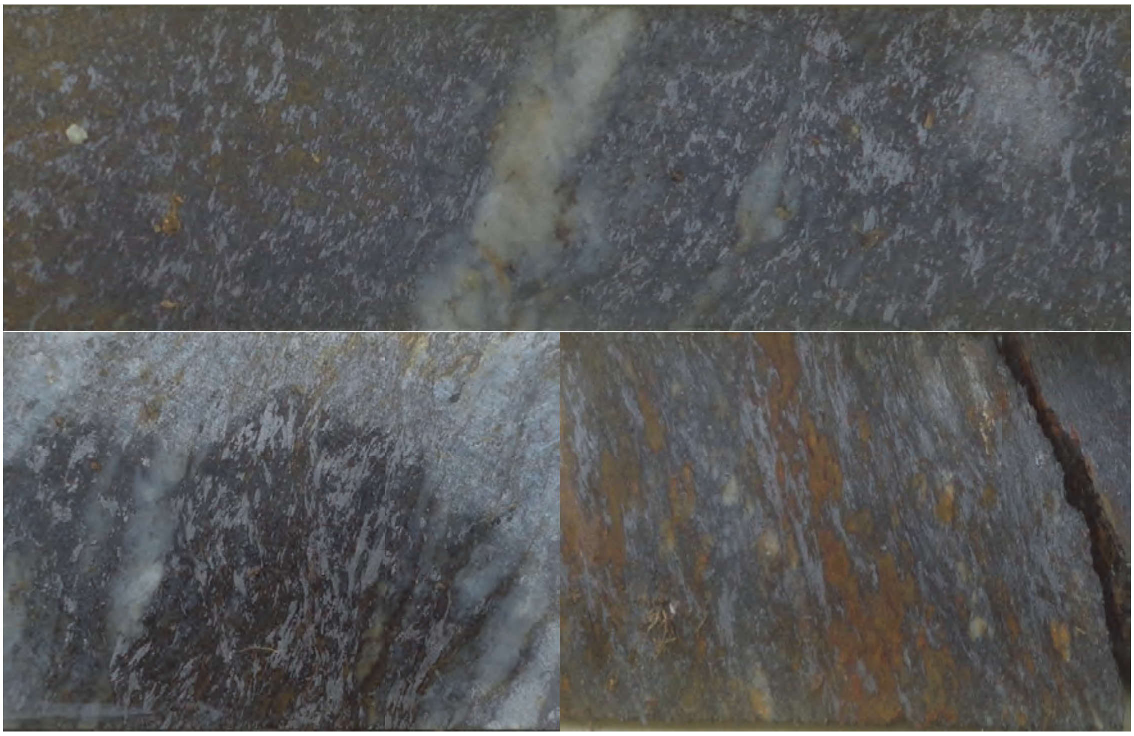
Figure 6-3: Graphite outcrop in trenches

Source: SRK Photos

The drilling has confirmed that the individual graphite bearing units intersected in the drill holes have true thicknesses that range between 5.13 m and 36 m. A visually uniform, good quality graphitic concentration was found throughout the drill hole ore zone intersections. On average a total of 56 percent of each drill hole has been classified and subsequently sampled as a graphite bearing units. The analytical results for the drill holes sample assay from the Phase 1 Exploration drilling programme can be summarised as follows; 184 samples out of a total of 218 analysed reported a TGC content of greater than 5 percent. Over 68 percent of those samples reported above 7 percent TGC, the highest grade reported was 15.9 percent TGC (Figure 6-4).

The weighted average grade calculated from all samples was determined to be 8 percent TGC, which is relatively high when compared to other graphite deposits occurring worldwide.

SRK observed extensive graphite mineralisation to be present within the Central and Northern trenches, where it is still visible in the trenches and in the material that was previously excavated from the trenches, which has now been used to infill them.



srk consulting	**Orom Graphite Project** Graphite in half drill core samples from LODD06	Project No. 548838

Figure 6-4: Graphite in half drill core samples from LODD06

Source: SRK Photos

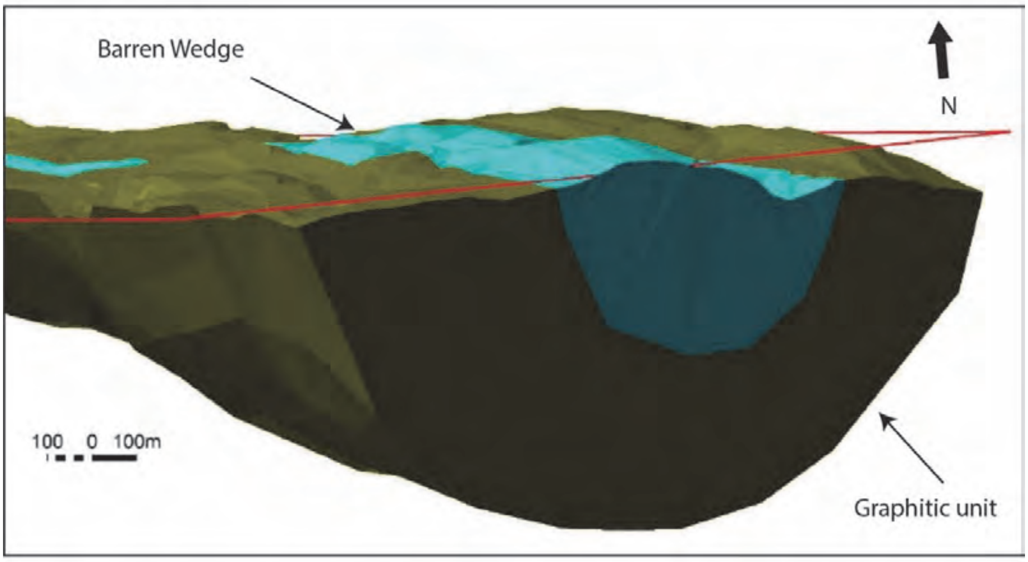
The minimum and maximum thicknesses were used by IRES for calculating the mineralised volumes.

6.2 Geological Interpretation

The graphitic gneisses located in the central valley have undergone a large degree of deformation and metamorphism due to the granitic bodies which were emplaced on either side of the gneissic unit. The granitic bodies are the probable source of the heat and compression, which resulted in the original sedimentary units being metamorphosed into a gneiss. Organic mud shales were the likely source of the graphite, in the form of a sedimentary protolith, which would account for the sulphide content found throughout the drill hole intersections. The presence of garnets in the area is indicative of high-grade metamorphism (granulite facies) having taken place. The granulite facies is determined by the lower temperature boundary of 700 +/−50°C and the pressure range of 2–15 kilobar. The lithological units in the project area, being formed most likely from a sedimentary protolith, would have originally been deposited as horizontal uniform sedimentary layers which then later underwent compressional deformation and folding.

The compressional event would have resulted in the folding of the original lithological units. The different units intersected throughout the exploration drilling programme are therefore likely to be folded limbs of the same lithological units that occur elsewhere in the Orom area.

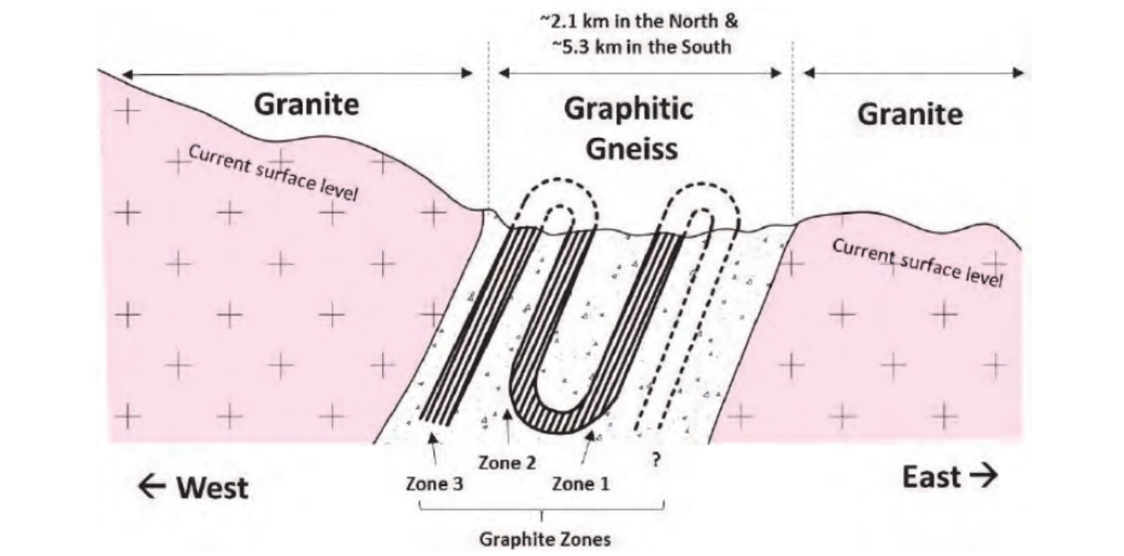
As a result of regional compressional, there would have been a subsequent folding of the lithological units. Folding and refolding of single layers from the same unit may have the tendency to outcrop repeatedly, thus what may appear to be multiple outcropping graphite bearing units is the folding of a single graphite bearing lode (e.g. Figure 6-5). Erosion of the surface over millions of years would have led to the exposure of previously covered units.



srk consulting	**OROM GRAPHITE PROJECT** Geological Model - Synform	Project No. 548838

Figure 6-5: Folding effects of a single lode

Due to the high level of tectonic activity in the area and the high-grade metamorphic conditions, it can be assumed that the lithological units at the peak of the metamorphic event, were highly malleable and easily folded. The outcropping, graphite-bearing units all have similar dips and dip directions; this indicates that the folding event that took place required a larger amount of compression stress from one side, which resulted in an overfold (Figure 6-6). The compressional force coming from the west would therefore have been greater than the force from the east as the folded units have a resultant dip towards the west.



srk consulting	**OROM GRAPHITE PROJECT** Schematic illustration of the interpreted geology	Project No. 548838

Figure 6-6: Schematic illustration of the interpreted geology of the area

The volume of the barren wedge is currently not well defined from drilling or geophysics and SRK recommends drilling one hole in the middle of the fold hinge to test the depth with the modelled interpretation.

6.3 Density

Density measurements were taken by Minrom on all the graphite samples taken from the drill core to determine their density before sending them to the laboratory for chemical analysis.

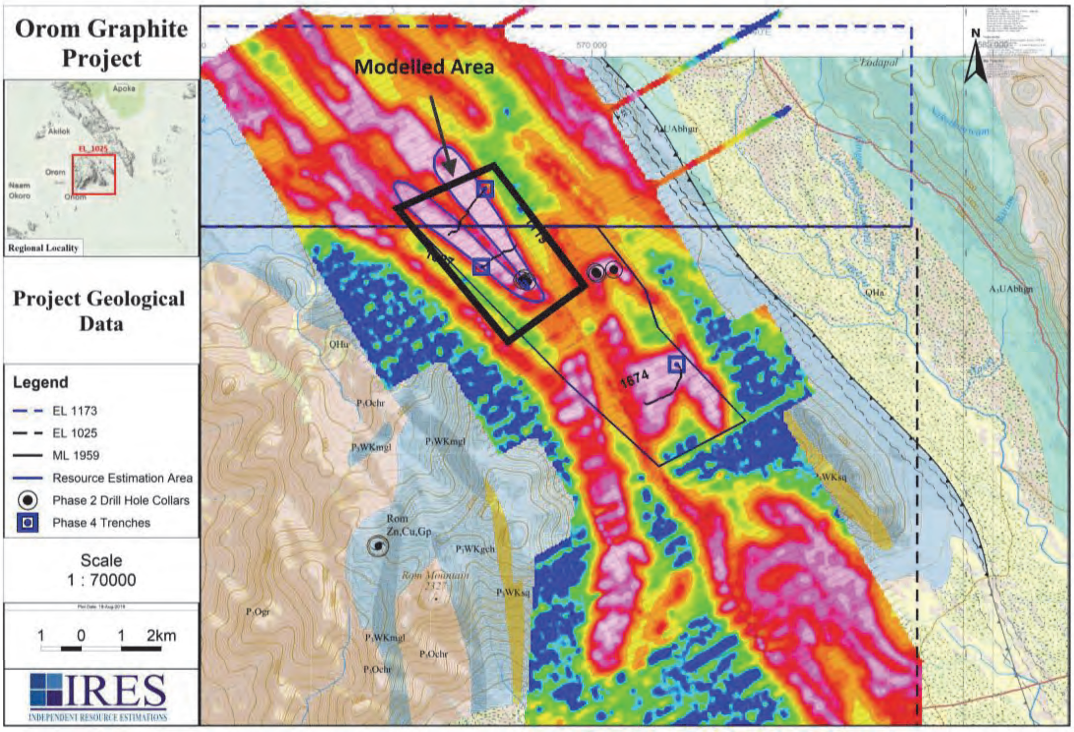
The relative density (RD) was calculated using the Archimedes principle.

SRK noted that no in situ bulk density or moisture content measurements were being taken by Minrom in the soil, weathered or any porous surface material. Additionally, no moisture content determinations were recorded as having been done in the assay results or requested from the laboratory during the sample analysis and hence are not recorded on the sampling logs. These will be required to in future to calculate the moisture content in the ore and the tonnage reporting to the plant.

The quantity and quality of density measurements will have a large impact on the conversion to grade-tonnage and this is reflected in the minimum and maximum ranges of the Exploration Target. The dry bulk density of the weathered material as determined by Metanza on the medium and high-grade composite samples was used by Mr. Dexter Ferreira of IRES for the tonnage range determinations. For the upper 20 m weathered zone, the CP used a density value of 1.46, and an average of 2.73 for the un-weathered material below. These values are reasonable given the current paucity of data for estimating a range of values.

6.4 Estimation

The Exploration Target ranges were developed using a 3D block model with dimensions of 10 by 10 by 10 m. The extent of the modelled area is illustrated on Figure 6-7. The block size was selected to ensure filling of the blocks by the intersecting syncline domain, to ensure it was larger than the composited size used (which was 2m), and to minimise the number of unsupported blocks between drill holes. An inverse distance squared interpolator was used to estimate the blocks with total carbon and graphitic carbon, between weathered (0 to 20 m below surface), and below 20 m. An omnidirectional search radius of 1,200 m with a minimum of 1 and maximum of 5 composites respectively was used for block interpolation.



srk consulting | **OROM GRAPHITE PROJECT** Exploration Target – Modelled Area | Project No. 548838

Figure 6-7: Modelled area for Exploration Target range estimates draped over VTEM imagery

Given the early nature of the project, this methodology and approach for an Exploration Target is reasonable to ensure all blocks are contained within the mineralised domain and provide indication of trends. The ranges are dependent on the domain volume (syncline), the size of the waste domain within the core of the fold (in the vertical sense), and the applied density values per block.

The Exploration Target ranges were developed as a function of depth from the surface. The scenarios are:

- Minimum case, (a conservative approach)
  - Estimated at a depth of 50 m, and an estimated strike length of 18 km.
- Medium case, (a probable approach)
  - Estimated at a depth of 100 m, and an estimated strike length of 18 km.
- Maximum case, (an optimistic approach)
  - Estimated at a depth of 120 m, and an estimated strike length of 18 km.

The estimated range of Exploration Target tonnes and grade for the minimum and maximum case are therefore a function of how many estimated blocks are calculated.

6.5 SRK Opinion

The existence and continuity of medium to high-grade graphite mineralisation appears to be well established with confirmed outcrop in trenches, and drill hole intersections in most holes. The existence of graphite mineralisation in the synclinal target with limbs composed of graphitic schist and gneiss is distinctly shown in core, as well as trench photos and observed in outcrop during SRK's site visit.

The exploration data is accurate and precise and can be confidently used for modelling and estimating graphite Exploration Target ranges, and in support of future technical work (see Section 9 for more detail).

In SRK's opinion the Exploration Target ranges are reasonable and have been prepared to a sufficient quality standard.

The wider project area is prospective for further graphite.

7 Metallurgical Processing

7.1 Introduction

The first phase of flotation testwork involved three batch flotation tests to investigate flotation residence time, reagent addition and rougher concentrate regrinding ahead of recleaner flotation. This first phase of testwork was conducted at the SGS laboratory in South Africa using conventional rougher and cleaner flotation with a single stage of attrition regrinding ahead of recleaner flotation.

Flotation testwork conducted on drill core sample indicated that 95 percent graphite recovery into a rougher concentrate with a grade over 57 percent graphite, while cleaner flotation testwork increased the product grade to over 86 percent graphite at more than 89 percent recovery without regrind or depressant addition.

Flake analysis showed that 80 percent of graphite in three samples was in the + 212µm flake length class. This analysis also showed that the smaller flakes were better liberated from the gangue minerals than the larger flakes.

A second phase of flotation testwork was conducted at the Metanza Laboratory in South Africa on a composite trench sample. This testwork aimed to generate a concentrate of 94% TGC and was very nearly successful with the final concentrate grading of 93.2% TGC. However, the TGC recovery was low at only 31.7%. This testwork involved crushing to 1mm and then attritioning the crushed sample followed by desliming at 38µm, then rougher flotation and 4 stages of cleaning.

During testwork it was shown that the 4th cleaner flotation stage concentrate did contain material with a TGC% of 94.1% (collected between minutes 1-2), while the cumulative concentrate assay including that stage was 93.5%. This result shows that some concentrate from 4 stages of cleaning does have a grade of 94.1% TGC, however, it is recommended that further testwork (additional cleaner stages and regrind stages) is performed to upgrade more of the concentrate to this grade.

SRK recommends that the following additional testwork be undertaken to allow the optimisation of a conceptual processing flowsheet:

- Optimise of flotation feed size, as the two programs conducted so far have tested a feed size of 1.7mm and 1mm and SRK recommends that additional feed sizes are investigated;
- More deslime testwork, including deslime at a finer size, and SRK recommends that a cyclone is used to test deslime rather than screens as it better represents plant equipment performance;
- Test regrinding within the cleaner stages as it may improve liberation that will increase recovery and grade;
- Test alternatives to flotation upgrading including gravity and magnetic separation in cleaning stages as they may be more successful in removing floatable gangues and composite particles;
- Test a modified reagent suite including different collectors, frothers, depressants and modifying slurry pH;
- More flotation testwork to increase graphite concentrate grade to 94 percent as the highest grade in testwork has been 93 percent. Indications are that higher concentrate grades should be possible as the 93 percent graphite grade was achieved with one rougher stage and four cleaner stages and flotation tests with minimal optimisation;

- Particle size by assay and mineralogy to be conducted on cleaner flotation concentrate to identify the particle size of the graphite flake and the gangue mineral associations;
- Due to high rougher and cleaner recoveries at the coarse feed size of -1.7mm, further milling studies should be focused on the downstream flotation steps in cleaner and recleaner flotation;
- This milling (regrind) testwork needs to be guided by petrographic studies which will direct the target grind size and liberation of graphite in various size classes;
- Variability flotation testwork including effect of grade and lithology on flotation performance;
- Locked cycle flotation testwork to determine effect of recycle streams on flotation performance;
- Concentrate screening ahead of regrinding to maximise the amount of coarse flake and grade that is produced;
- Milling and crushing testwork to better define this component of the process plant design; and
- Vendor dewatering (thickening and filtration) testwork for both concentrate and tailings.

Typical graphite process flowsheets for projects of this nature comprise:

- Three-stage crushing generating a -15mm crushed material;
- Closed circuit rod milling generating a product at P99=1.7mm and P80=600 µm;
- Conventional trough cell flotation circuit including one stage of rougher and scavenging flotation;
- Followed by four stages of cleaner flotation;
- Cleaner flotation includes two regrind pebble mills;
- Tailings thickening and tailings storage using a conventional storage dam, with water being reclaimed and recycled back to the process plant; and
- Pressure filtration of graphite product.

7.2 Drying and screening; Sample Mineralogy

XRD analysis was undertaken by SGS on three samples (Table 7-1).

Table 7-1: Minerals as identified by XRD

Minerals	M6152	M6204	M6244
Quartz	25–50 %	25–50 %	25–50 %
Mica (biotite)	15–25 %	15–25 %	15–25 %
Plagioclase	25–50 %	5–15 %	15–25 %
Graphite	5–15 %	5–15 %	5–15 %
Calcite	Trace	Trace	Trace
Garnet	Trace	-	-
Amphibole	-	Trace	-
Chlorite	-	-	Trace

Notes: All samples contained significant quartz, plagioclase, mica and calcite; and trace (Tr) amounts of garnet, amphibole and chlorite.

Chemical analysis of the three samples is shown in Table 7-2.

Table 7-2: Chemical analyses (Leuco)

	Total Sulphur	Graphitic Carbon
Method	CSA06V	CSA05V
Lower Detection	0.01	0.05
Upper Detection	100	100
Units	%	%

M6152	1.74	6.10
M6204	3.07	8.98
M6244	1.10	12.5

Notes: Graphitic Carbon grade varied between 6–13 percent and Sulphur ranged from 1–3 percent.

Size by assay results for the three samples are shown in Table 7-3, Table 7-4 and Table 7-5.

For all samples, over 60 percent of graphite is present in the +212μm size fraction, indicating that a significant portion of graphite mineralisation is considered to be of a coarse flake.

Table 7-3: Grading analysis of sample M6152

M6152	Mass	Graphitic Carbon	
	(%)	Grade (%)	Distr. (%)
+1.17mm	19.58	3.49	11.60
+850 μm	9.67	4.42	7.26
+425 μm	7.64	6.08	7.89
+212 μm	25.67	8.24	35.93
+106 μm	14.23	7.68	18.56
-106 μm	23.21	4.76	18.76
Total	100.00	5.89	100.00

Table 7-4: Grading analysis of sample M6204

M6204	Mass	Graphitic Carbon	
	(%)	Grade (%)	Distr. (%)
+1.17mm	13.63	6.66	10.28
+850 μm	7.08	9.39	7.53
+425 μm	15.92	11.9	21.46
+212 μm	20.22	11.6	26.57
+106 μm	17.09	8.91	17.25
-106 μm	26.06	5.73	16.92
Total	100.00	8.83	100.00

Table 7-5: Grading analysis of sample M6244

M6244	Mass	Graphitic Carbon	
	(%)	Grade (%)	Distr. (%)
+1.17mm	17.19	8.49	11.66
+850 μm	9.69	10.7	8.28
+425 μm	20.78	11.4	18.92
+212 μm	18.51	17.6	26.01
+106 μm	13.40	16.5	17.67
-106 μm	20.43	10.7	17.46
Total	100.00	12.52	100.00

A summary of the graphite flake investigation on polished thin sections can be found in Table 7-6.

Table 7-6: Graphite flake-length distribution data

Graphite flake size distribution (Area %)			
Flake length class (µm)	**M6152**	**M6204**	**M6244**
+1.17mm	0.00	9.24	0.00
+1.17mm / +850 µm	21.64	7.96	36.30
-850 µm / +425 µm	30.35	46.69	15.65
-425 µm / +212 µm	27.42	17.72	31.41
-212 µm / +106 µm	13.85	14.45	11.04
-106 µm	6.73	3.94	5.59
Total	100.00	100.00	100.00

In summary:

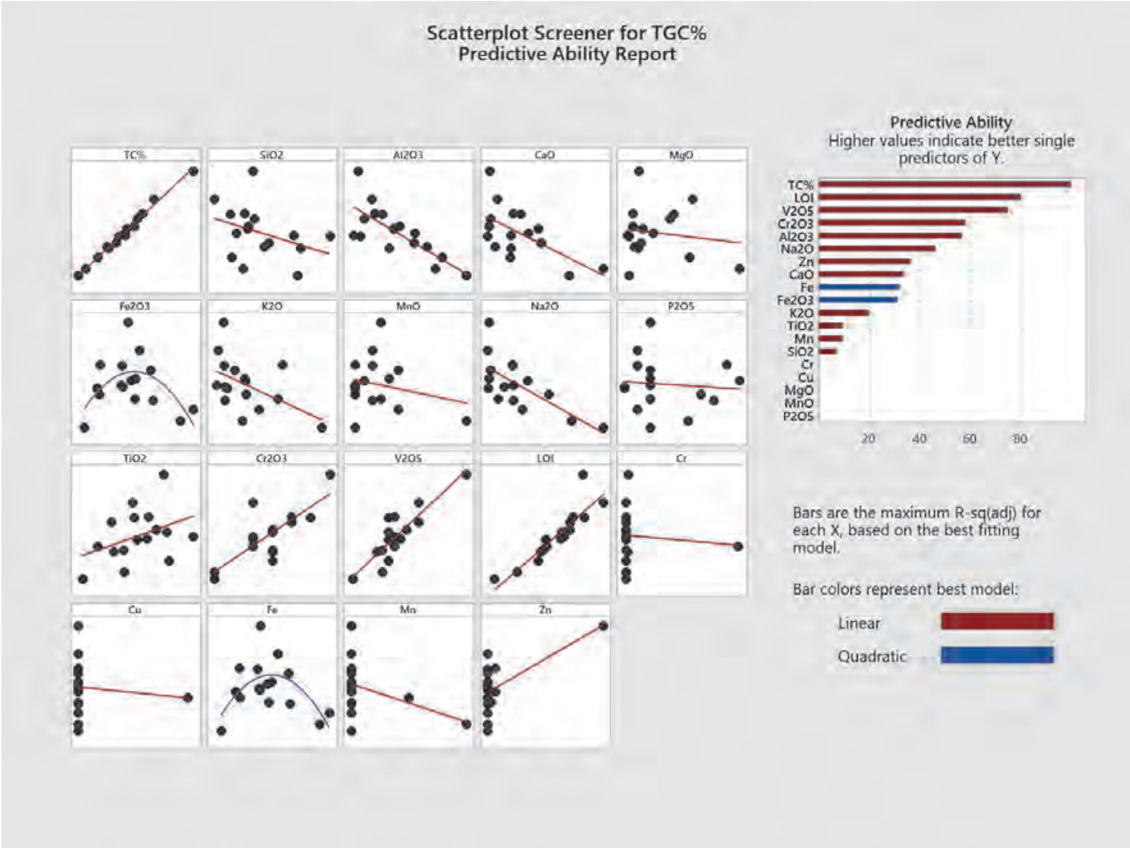
- According to the flake length investigation ~ 80 percent of graphite in all of the samples falls into the +212 µm flake length class;
- The optical investigation revealed that the smaller flakes were better liberated than the larger flakes which were attached to gangue minerals, mostly mica; and
- Pyrite was also present in all the samples and was observed to be associated with graphite in a few cases.

7.3 Testwork Samples (Phase 1)

Sixteen (16) samples from the Project were generated by Minrom and dispatched to SGS (South Africa) to undertake testwork. Head assays from all the 16 samples are shown in Table 7-7 and a scatterplot of total graphite content (TGC) percent versus other assays is shown in Figure 7-1.

Table 7-7: Head Assay Summary

Sample	TC (%)	TGC (%)	SiO_2 (%)	Al_2O_3 (%)	CaO (%)	MgO (%)	Fe_2O_3 (%)	TiO_2 (ppm)	V_2O_5 (ppm)	Zn (ppm)
JJ1	12.3	10.0	71.6	5.7	0.6	0.1	2.3	8,100	900	500
JJ2	12.3	10.4	64.3	11.4	1.0	0.4	2.2	13,200	800	500
JJ3	9.9	8.2	68.4	11.3	1.3	0.3	1.2	2,700	800	500
JJ4	2.5	2.0	65.1	13.3	2.7	1.4	5.0	5,600	600	500
JJ5	5.3	4.7	63.7	13.9	0.6	0.8	5.6	10,500	700	500
JJ6	8.0	6.9	72.5	9.0	0.6	0.2	3.7	4,400	500	500
JJ7	15.3	13.9	66.6	6.6	0.1	0.6	3.6	4,200	1,200	500
JJ8	7.8	7.2	67.8	12.5	0.2	0.2	2.9	5,500	600	600
JJ9	14.6	12.0	65.8	10.0	0.1	0.2	2.9	9,100	1,000	500
JJ10	10.7	9.7	76.2	6.3	0.1	0.1	1.1	7,000	700	700
JJ11	29.4	25.3	66.4	6.0	0.1	0.2	2.6	9,900	2,000	3,600
JJ12	0.5	0.4	72.1	16.2	1.9	0.1	0.5	1,000	100	500
JJ13	16.4	15.1	63.5	8.3	0.8	0.6	2.3	6,700	700	500
JJ14	19.6	18.6	61.5	7.4	0.3	0.8	3.1	6,500	1,200	500
JJ15	12.6	11.5	65.7	9.4	1.2	0.3	2.7	10,300	700	500
JJ16	16.8	15.2	65.3	7.7	0.6	0.2	1.2	8,300	800	700
Average	**12.1**	**10.7**	**67.3**	**9.7**	**0.8**	**0.4**	**2.7**	**7,063**	**831**	**725**

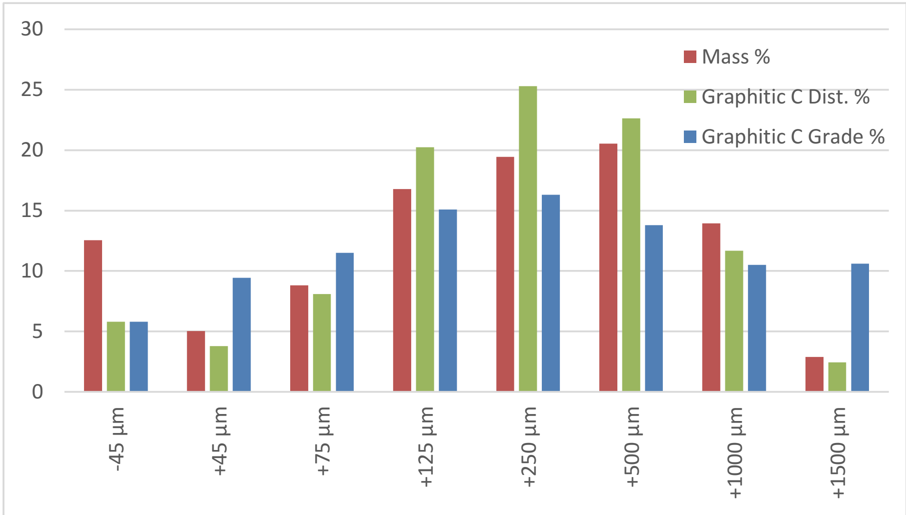


srk consulting	**OROM GRAPHITE PROJECT** Scatterplot	Project No. 548838

Figure 7-1: Scatterplot Screener for TGC percent versus Other Assays

- Results indicate a range of TGC grades from 0.4 percent to 25.3 percent with a direct correlation to vanadium grade. JJ11, 13 & 16 showed the highest TGC grades of >16 percent;
- There also seems to be a direct correlation between TGC percent and TiO_2 and Cr_2O_3 grades;
- As expected, there is an inverse relationship between TGC grade and gangue minerals SiO_2, CaO, K_2O and Na_2O; and
- Sulphur analysis wasn't conducted on these samples, however, mineralogy samples contained significant sulphur between 1 to 3 percent and SRK recommends that this analysis is performed in the next stage of work.

The sample was subjected to particle size fractions by TGC analysis over the size range 1,500µm to -45µm and these results are shown in Figure 7-2.



srk consulting	**OROM GRAPHITE PROJECT** Size by Assay Results	Project No. 548838

Figure 7-2: Size by Assay Results

- The graphite distribution was relatively consistent with mass distribution, with an increase in concentration in the +125µm, +250µm & +500µm fractions; and
- Graphite grade dropped off in the finer size fractions, specifically below 75µm.

Composite sample head assay is shown in Table 7-8.

Table 7-8: Head Assay

	Assay TGC (%)	Calculated TGC (%)
Head Sample	10.8	10.7

Assays for both drill hole and Trench samples are shown in Table 7-9.

- Drill hole assay mean is 7.9 percent;
- Trench sample mean is 5%.

This indicates that the grades are not significantly different regardless of sampling technique and sampling location.

Table 7-9: Summary of Drill hole and Trench assay results

Parameter	Graphitic Carbon (%)	
	Drill holes	Trenches
Number of samples	229	230
Mean (%)	7.87	4.96
Standard Deviation	2.88	3.12
Coefficient of Variation	0.37	0.63
Maximum (%)	15.9	15.81
Minimum (%)	9.65	6.93
Upper Quartile (%)	7.58	4.4
Median (%)	5.83	2.56
Lower Quartile (%)	0.03	0.24
Minimum (%)	6	3
Number of holes / trenches	229	230

7.4 Testwork Results

7.4.1 Flotation Summary

Three flotation tests were conducted on the bulk composite sample and testwork results are shown in Table 7-10.

Table 7-10: Flotation Summary

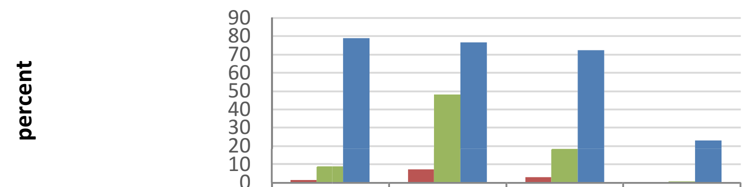
Stage	Mass (%)	TGC Grade (%)	TGC Rec. (%)	Flotation Test
Rougher	11.9	73.9	75.7	1
Rougher	15.5	69.1	92.9	2
Cleaner	12.0	86.1	89.2	
Rougher	20.9	57.6	95.2	3
Rougher +53 µm	20.0	59.4	93.9	
Cleaner	16.9	67.9	90.8	
Recleaner	8.3	84.0	55.1	

Note: Rec. = Recovery.

- Rougher TGC recovery was increased from 76 percent in test 1 up to 93 percent and 95 percent in test 2 and 3, respectively. Mass pull also increased from 12 percent in test 1 up to 16 percent and 21 percent in test 2 and 3, respectively;
- Cleaner performance was similar in test 2 and 3 with TGC recovery of 89 percent and 91 percent, respectively. While cleaner TGC grade was reduced from 86 percent to 68 percent between test 2 and 3, due to the increased cleaner mass pull of 17 percent in test 3 compared with 12 percent mass pull in test 2;
- Recleaner concentrate TGC recovery was 55 percent at a TGC grade of 84 percent and a mass pull of 8 percent, showing no significant improvement in recleaner grade compared with cleaner grade in test 2; and
- It is recommended that additional flotation testwork is conducted to optimise flotation performance including improving recleaner performance.

7.4.2 Flotation Test 1

This test comprised bulk rougher flotation on –1.7mm feed for a flotation time of 3 minutes using 65g/t kerosene and 35g/t frother. Rougher concentrate was wet screened at 53µm, 300µm and 710µm. The results are presented in Figure 2-1.



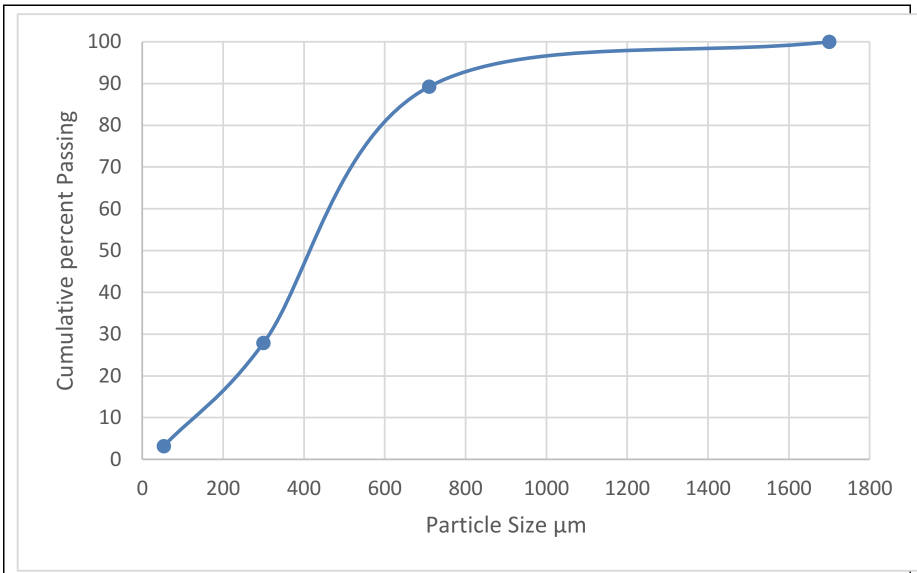
	+710 µm	-710+300 µm	-300+53 µm	-53 µm
Mass Distribution %	1.3	7.3	2.9	0.4
Graphitic Carbon Dist %	8.69	48.06	18.24	0.75
Graphitic C Grade %	78.9	76.5	72.1	22.8

srk consulting	**OROM GRAPHITE PROJECT** Flotation Test 1	Project No. 548838

Figure 7-3: Flotation Test 1 Concentrate Sizing

The results show the following:

- The bulk rougher recovery based on TGC assay was only 74 percent with a mass pull of 12 percent. Which was achieved at a coarse grind of -1.7mm. To increase recovery an increased residence and finer grind would be required, possibly grinding below 500µm; and
- The sizing and assay data on the concentrate showed that the three coarse size fractions (+ 53µm) contained similar TGC percent of 72 percent to 79 percent. While the grade of the -53µm fraction was significantly lower at 23 percent. Indicating that either constant amount of graphite locking with gangue minerals in all three coarser sizes or there is a constant amount of floatable gangue present in the coarse size fractions.



srk consulting	**OROM GRAPHITE PROJECT** Rougher Concentrate Particle Size	Project No. 548838

Figure 7-4: Rougher Concentrate Particle Size

As presented in Figure 7-4, particle size of the rougher concentrate has a P80 = 600µm, which is expected to be similar to the rougher feed particle sizing, as there isn't expected to be a significant change in flotation rougher concentrate particle size compared to rougher feed particle size.

7.4.3 Flotation Test 2

This test comprised bulk rougher flotation on –1.7mm feed with an increased flotation time of 5 minutes using 80g/t kerosene and 20g/t frother. Rougher concentrate collected was subject to a single stage cleaner test for time of 3 minutes using 15g/t frother. The results (Table 7-11) indicated the rougher recovery can be improved to 93 percent with increased collector and residence time.

Table 7-11: Test 2 Testwork Results

Product	Mass (%)	TGC Grade (%)	TGC Rec (%)
Cl conc. 1	6.1	86.20	45.3
Cl conc. 2	5.2	85.85	39.0
Cl conc. 3	0.7	87.09	5.0
Total Cleaner conc.	12.0	86.10	89.2
Cleaner Tail	3.6	12.00	3.7
Rougher Tail	84.5	0.97	7.1
Head Calc.	100.0	11.56	100.00
Head Assayed		10.80	

Notes:
Conc. = Concentrate.
Calc. = Calculated.

7.4.4 Flotation Test 3

This tested comprised bulk rougher flotation on –1.7mm feed for a flotation time of 5 minutes using 80g/t kerosene and 20g/t frother. The results (Table 7-12) indicated the rougher recovery can be improved to 95 percent with increased collector and residence time. The rougher concentrate generated was screened at -53µm, so as to remove slimes prior to cleaner flotation. The +53µm concentrate was milled in a light attritioner for 3 minutes, and then subjected to recleaning with sodium silicate as a depressant.

Table 7-12: Test 3 Testwork Results

Product	Mass (%)	TGC Grade (%)	TGC Rec (%)
RCl conc. 1	4.9	82.90	32.2
RCl conc. 2	3.4	85.60	23.0
Total Re-Cleaner conc.	8.3	84.00	55.1
ReCLT	8.6	52.40	35.6
Cleaner conc.	16.9	67.92	90.8
Cleaner Tail	3.1	7.67	1.9
Rougher Conc.	20.0	59.43	93.9
-53um	0.9	17.40	1.3
Rougher Tail	79.1	0.97	6.1
Head Calc	100.0	12.63	100.00
Head Assayed		10.80	

Notes:
Conc. = Concentrate.
Calc. = Calculated.

The results show that further recleaner optimisation is required either using more targeted milling and less depressant as minimal improvement in grade was achieved in recleaning along with a large reduction in recovery. It also indicates that further or more targeted liberation maybe required to improve grade further and a reduction in the amount of depressant required.

7.5 Testwork (Phase 2)

- 400 kg of medium grade (MG) and 60kg of high grade (HG) trenching samples were provided to the Metanza laboratory, located in Johannesburg South Africa, for testwork in 2019.

- The samples were blended to produce a single MG and single HG composite, subsamples were tested to determine sample SG and density.
- The HG and MG composite samples were crushed to -1mm and combined to generate a single composite sample for the flotation testwork program, assays for samples is shown in Table 7-13.

Table 7-13: Composite Sample Summary

Sample	Mass (%)	Total Carbon (%)	Graphitic Carbon (%)	Total Sulphur (%)
Medium Grade -1mm	87.2	5.45	5.11	0.18
High Grade - 1mm	12.8	8.51	8.36	0.27
Total Composite	100.0	5.84	5.52	0.19
Meas. Composite		5.74	5.32	0.18

- Size by assay analysis of the overall composite sample is shown in Table 7-14, there is a reduction in TGC % at the coarse and fine sizes, however, the -38µm fraction contains 18.6% of the contained carbon. There is no concentration of sulphur into any size fractions; and
- The P_{80} of the feed was 461µm at a crush size of 1mm, previous flotation testwork was performed on samples crushed to 1.7mm, and SRK recommends that further testwork is required to optimise the crush and grind sizes ahead of flotation.

Table 7-14: Composite Size by Assay

Screen size (µm)	Mass (%)	Grade (% Graphitic C)	Graphitic C Distribution (%)	Grade (%Total C)	Grade (%Total S)
1000	4.31	2.63	2.12	2.82	0.18
850	13.5	4.74	11.9	4.89	0.19
500	14.3	6.97	18.6	7.08	0.18
300	15.6	8.00	23.3	8.04	0.17
150	14.9	6.86	19.1	7.08	0.17
75	3.18	6.74	4.01	6.95	0.17
53	2.32	5.33	2.31	5.64	0.18
38	31.9	3.12	18.6	3.94	0.18
Total	100.0	5.35	100.0	5.71	0.18
		5.32		5.74	0.18

- Five scouting flotation tests were conducted on the -1mm material to optimise rougher flotation conditions, however, the laboratory considered the results to be unsatisfactory, so an attritioning stage and a desliming stage using screening for slimes removal ahead of flotation were included;
- Scout flotation results are shown in Table 7-15 and mass pull was below 5% in all tests with the best results generating a concentrate of 63% TGC and a recovery of 55% at a 4.4% mass recovery. Due to the large improvement in flotation performance between test 1 and test 5, i.e. recovery improving by over 20%, SRK recommends that additional flotation testwork is conducted without desliming and desliming at a finer size using cyclones as there is an opportunity to improve recovery due to the high loss of graphite to the -38µm;

- The rougher flotation results post attritioning and deslime are also shown for comparison, indicating that mass pull was much higher with attritioning and deslime, which has increased recovery, however, grade was lower;

Table 7-15: Scout flotation testwork summary

Sighter Rougher Test	Conc Mass Rec %	% TGC	TGC Dist %
1	4.88	35.5	32
2	4.87	38.5	33.6
3	3.61	55.8	37.3
4	4.07	51.4	38.2
5	4.38	62.8	54.6
Attrition and deslime rougher flotation	6.56	59.3	62.95

- Summary of the attritioning and desliming stage is shown in Table 7-16. 35% of the contained graphite reports to the -38µm fraction, which has been removed ahead of flotation;

Table 7-16: Attritioning and deslime summary

Size fraction	Mass (%)	% Graphitic C	Graphitic C Distribution (%)
+38µm	58.6	6.24	64.9
-38µm	41.4	4.77	35.1
Total	100.0	5.63	100
	Measured	5.32	

- The deslimed sample was then processed through rougher flotation and 4 stages of cleaner flotation, a summary of results from this work is shown in Table 7-17. No regrind was included in the cleaner circuits.

Table 7-17: Deslimed Sample Flotation Results Summary

Stage	Flotation Time (min)	Conc Mass Rec %	% TGC	TGC Dist % (including deslime)
Feed	-	100.0	5.6	100.0
Deslime U/F	-	58.6	6.2	64.9
Rougher	24	6.6	59.3	63.0
Cleaner	5	4.6	73.8	59.8
Recleaner	5	3.8	90.3	57.1
Re-Recleaner	0.5	2.2	92.6	34.7
Cleaner 4	10	2.0	93.2	31.7

- The target of the testwork was to generate a concentrate of 94% TGC and this was very nearly successful with the final concentrate grading of 93.2% TGC. However, the TGC recovery was low at only 31.7%;
- SRK expects that additional testwork will improve concentrate recovery and grade. SRK recommends that the additional testwork should include the following; varied feed size, remove deslime step, deslime at a finer size (cyclone), regrinding within the cleaner stages, gravity and/or magnetic separation in cleaning stages to remove floatable gangues and

composite particles, modified reagent suite including different collectors, frothers and depressants; and

- An acid wash test was conducted on cleaner 4 concentrate collected at a flotation time of 0.5 minute, however, the acid wash only increased TGC from 93.3 % to 93.7%, which isn't significant and therefore acid washing isn't recommended for processing.

7.5.1 Testwork Conclusions

The flotation tests conducted on the graphite composite sample from Uganda produced results that can be used to draw the following conclusions.

- Optimise of flotation feed size, as the two programs conducted so far have tested a feed size of 1.7mm and 1mm and SRK recommends that additional feed sizes are investigated;
- More deslime testwork, including deslime at a finer size, and SRK recommends that a cyclone is used to test deslime rather than screens as it better represents plant equipment performance;
- Test regrinding within the cleaner stages as it may improve liberation that will increase recovery and grade;
- Test alternatives to flotation upgrading including gravity and magnetic separation in cleaning stages as they may be more successful in removing floatable gangues and composite particles;
- Test a modified reagent suite including different collectors, frothers, depressants and modifying slurry pH;
- More flotation testwork to increase graphite concentrate grade to 94 percent as the highest grade in testwork has been 93 percent. Indications are that higher concentrate grades should be possible as the 93 percent graphite grade was achieved with one rougher stage and four cleaner stages flotation tests with minimal optimisation, however additional cleaner stages and regrind stages would be required to achieve 94%.
- It is also recommended that size by assay and mineralogy is conducted on cleaner flotation concentrate to identify the coarsest graphite flake size that can be targeted;
- Due to the high rougher and cleaner recovery achieved at a coarse feed size of -1.7mm, further milling should be restricted to the downstream flotation steps such as cleaner and recleaner; and
- This milling needs to be guided by petrographic studies which will direct the target grind size and liberation of graphite across various size classes; and

7.6 Metallurgical Performance

Insufficient metallurgical testwork has been conducted to allow SRK to make an assessment on the processing and recoveries.

7.7 Processing Risks and Opportunities

The following risks for processing have been identified:

- Assumptions have been made regarding process plant design and metallurgical performance and these need to be confirmed during the next phase of the project in a thorough testwork program; and
- That material from the Project doesn't respond to flotation testwork as expected and the project isn't able to proceed as the concentrate hasn't achieved a saleable quality.

The following processing opportunities have been identified:

- That minimal further grinding is required to achieve product grades and recovery allowing for a low capital and operating cost processing facility.

8 Risks and Opportunities

8.1 Introduction

At present, there are a number of flake graphite ore bodies being developed in Tanzania and Mozambique. With respect to Syrah Resources' Balama project, production has been underway for almost a year.

8.1.1 Opportunities

The Project is of lower grade (<10 percent TGC) compared to those in neighbouring Tanzania and Mozambique, however the Project has a high proportion of large flake (>180µm).

Within the Project area, the top 20 m of mineralisation occurs within weathered, soft and friable metamorphic sequences. Therefore, mining should require minimal blasting resulting in easily liberated flake graphite from gangue using free-dig followed by conventional crush, grind and flotation processes resulting in an end-product of high purity graphite concentrate.

SRK notes that the current Exploration Target only covers a small portion of the available graphite mineralisation within the Project area. There is therefore a large upside potential in terms of the overall size and scale of the Orom graphite mineralisation that should allow for sufficient graphite resource to be defined for mining in the future (Figure 8-1). Blencowe intend to undertake additional exploration drilling and a feasibility study.

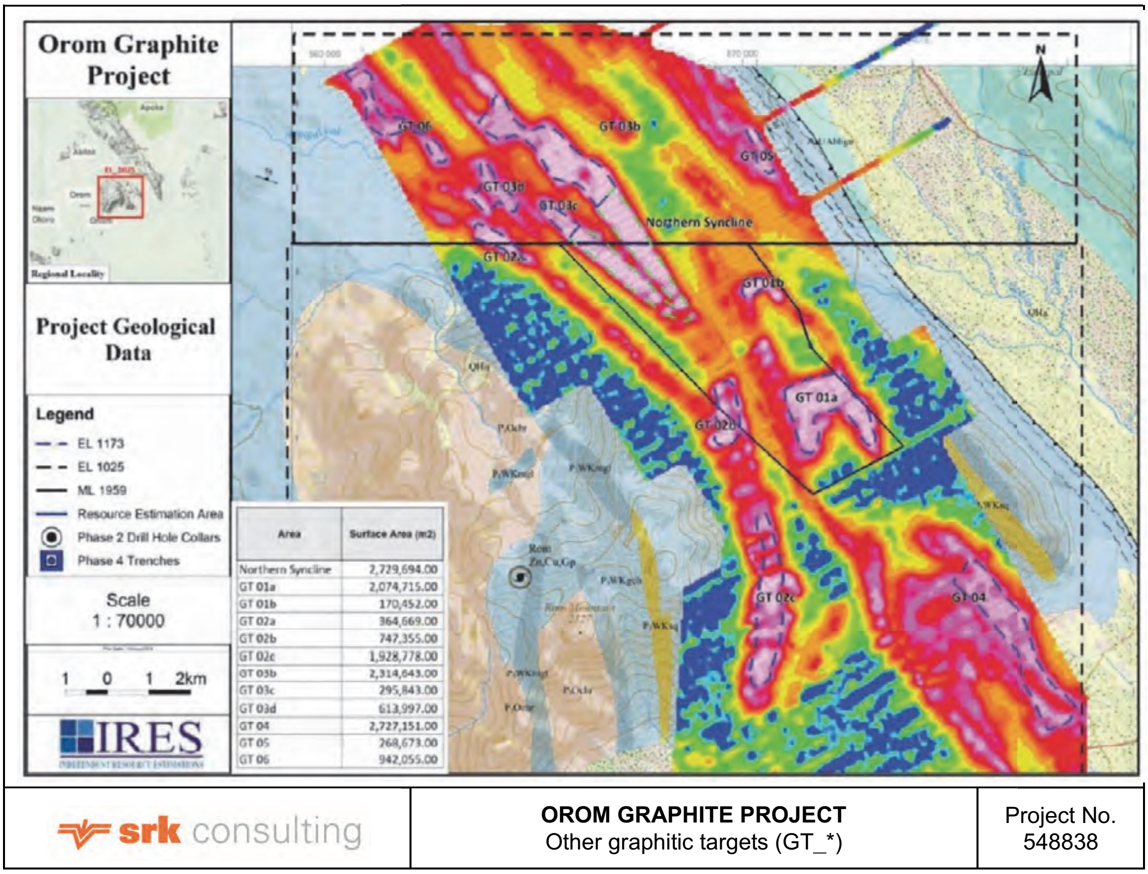


Figure 8-1: Exploration upside of additional graphitic targets shown on VTEM imagery

8.1.2 Risks

Currently, no mineral resource has been estimated at the Project. Whilst an Exploration Target has been determined, an Exploration Target is a statement or estimate of the exploration potential of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and a range of grade (or quality). The potential quantity and grade is conceptual in nature, that there has been insufficient exploration to estimate a Mineral Resource and that it is uncertain if further exploration will result in the estimation of a Mineral Resource.

SRK considers that the limited testwork is not sufficient to make an assessment of the likely technical marketing specifications.

Industrial Minerals

Graphite is an 'industrial mineral' and as such, when reporting potential mineral resource estimates under the JORC Code, then Clause 49 must also be considered. Clause 49 of the JORC Code requires that Mineral Resource estimates must be reported *'in terms of the mineral or minerals on which the project is to be based and must include the specification of those minerals'.*

Therefore, before mineral resources can be declared, a number of criteria need to be evaluated and will include:

- Grade of total graphic carbon;
- Type of graphite (i.e. flake);
- Purity, size and rage of graphite flakes (in situ and after processing);
- Impurities such as sulphides which may impact on mineral extraction;
- Commercial value of the graphite product after processing; and
- Potential markets and binding sales agreements.

9 Proposed Exploration Program

The Company's primary focus is the exploration of and development of resource and mining opportunities in Africa. Their principal focus is to develop and economically mine the Orom Graphite Project in Uganda. Having recently completed ranges of grades and tonnages for an Exploration Target at its flagship project, the Company is now seeking to re-engage on the LSE to fund its future development.

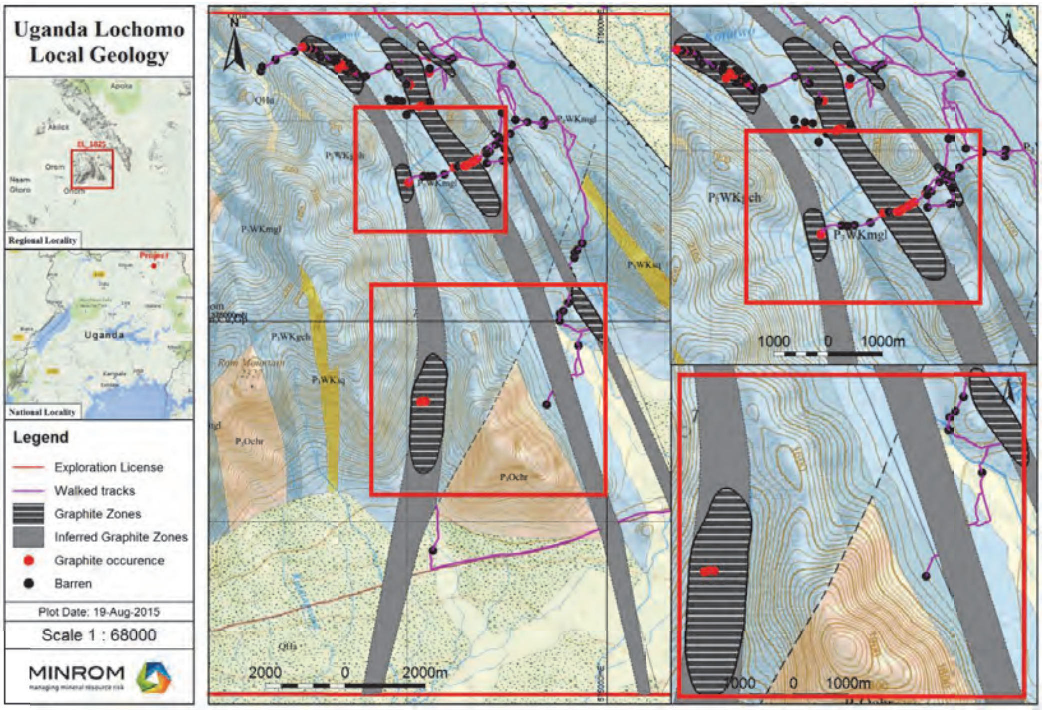
9.1 Proposed Exploration Work

On behalf of Blencowe, Minrom is planning additional exploration work over the next 18 months with specific emphasis on:

- Further drilling to determine potential Mineral Resource estimates, and if successful;
- Undertake further technical mine studies.

The Company also intends to undertake additional metallurgical testwork to allow a technical marketing program to be undertaken. The principle objective of this work programme is to determine Mineral Resource estimates of the current Exploration Target (e.g. the depth and lateral extent of the graphitic horizons in the northern syncline area). Certain other target areas along the strike of the graphite mineralization may be also drilled with the aim of delineating additional mineral resources.

The planned diamond drilling and sampling programme within the targeted area should allow higher confidence to enable the reporting of Mineral Resource estimates of the northern syncline target area. This should then allow for future technical mine studies to be undertaken, e.g. scoping and/or feasibility studies. Blencowe will allocate sufficient funds to commence and undertake the planned exploration activities. Blencowe intends to spend between USD 500 000 and USD 1 000 000 on exploration over the next 18 months. Progressive expenditure will depend on the success of the proposed exploration activities undertaken.



srk consulting	**OROM GRAPHITE PROJECT** Planned Phase 5 Minrom exploration drilling program	Project No. 548838

Figure 9-1: Planned Phase 5 Minrom exploration drilling programme – other areas for testing depicted by red box

9.2 SRK's opinion on the exploration program

SRK has examined Blencowe's planned exploration activities which are subject to funding for advancing the study status of the Project. The funds allocated by the Company should be sufficient to commence the proposed programs and sustain the planned exploration activities.

10 Concluding Remarks

The Orom Graphite Project is located within the Orom District of northeast Uganda. It is set in granulite facies sequences of the West-Karamoja Group, a suite of metamorphosed rocks of Neoproterozoic age. These rocks are comprised of metamorphosed mafic igneous and sedimentary sequences of banded granulites, gneiss, schist, charnokite, calc-silicate and sericitic quartzites.

The graphite mineralisation is mostly tabular deposits of graphitic gneiss, with many deposits within the Company's project tenure, as detected by VTEM survey data. The main area of focus however has been in the northern part of the project where graphitic gneiss and schist forms a synclinal structure that plunges to the north-northwest. The structure is clearly demarcated by VTEM survey data, and assay results from 2 trenches and 3 non-oriented drill holes that intersect it have demonstrated a strong correlation between geophysical anomaly and graphite mineralisation. However, at present there is not enough sample data to support mineral resource estimates. Therefore, an Exploration Target giving minimum and maximum ranges of mineralisation has been estimated and supported by an exploration program in order to estimate graphite mineral resources.

The range of Exploration Target tonnage is supported by reasonable assumptions and is reported to a sufficient quality standard to satisfy the requirements of the JORC Code (2012).

The proposed timeframe by Blencowe need to be sufficient to allow for the testing of the Exploration Target and development into estimates of graphitic mineral resources, provided Blencowe can demonstrate a market and saleable product.

The proposed exploration and metallurgical work is considered worthy of further expenditure by Blencowe.

<table>
<tr><td>Compiled by

Dr Michael Cunningham
Principal Consultant</td><td rowspan="3">Peer Reviewed by

Mr Mark Wanless
Principal Consultant</td></tr>
<tr><td>
Mr Alan Page
Principal Consultant</td></tr>
<tr><td>
Mr Jeremy Ison
Associate Principal Consultant</td></tr>
</table>

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APPENDICES

Appendix 1: JORC Table 1

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where 'industry standard' work has been done, this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	• Diamond drilling was conducted to produce HQ and NQ sized core for the sampling programme; • Sample sizes were at 1m intervals as no geostatistical analysis has been conducted to determine variability and optimum sample size; • Core was split with a core cutter for sampling of one half of the core while the other half remained behind for reference purposes; • The 1m samples were crushed and pulverized by SGS Johannesburg before undergoing analysis by LECO, XRF and fire assay; • Assay test work reported on the graphitic carbon content, organic carbon and total carbon by LECO, major mineral content by XRF and gold by fire assay; and • Mineralogical test work was conducted by SGS Johannesburg on the samples for head grade analysis, major mineral assemblages, grading analysis and optical flake size distribution.
Drilling techniques	• Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).	• Diamond drilling (core); • Core size included HQ (60mm diameter) and NQ (40mm diameter); • Single tube; and • Core is not orientated.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	• Core loss/gain measurements were taken on each drill run, minimal core loss was observed, recoveries ranged from 95-100% in the six drill holes; • Drilling was planned to get intersections as close to the true thickness as possible and was monitored by the project geologists Mrss. R. Lewis and J.P. Van Den Berg to maximize the sample recovery. They also transported the drill core to the Minrom processing facility; and • The grade of some samples may have been affected in the unconsolidated material through the loss of fine material. Special care was taken during the logging and sampling to preserve the integrity of the sample.

Criteria	JORC Code explanation	Commentary
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. • The total length and percentage of the relevant intersections logged.	• Core samples were logged by the two project geologists at a high level first, followed by detailed logging of the identified lithologies, structures and mineralization; • The parameters logged included: the lithology, geotechnical parameters, a core loss/gain record, meter marking and the recording of the sample intervals; • The Logging was qualitative; • Photographic records were taken of all the half core material produced from the drilling programme, after it had been sampled; • All the core was logged for all the parameters mentioned above; and • A standard nomenclature was developed and facilitated between two geologists working together on the project to eliminate interpretation errors.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	• The Core was cut in half using a diamond saw and one half of each sample interval was taken as the primary sample, the other was retained as a reference sample; • SGS performed all the sample preparation activities. All samples were crushed to -2mm, dried and pulverised to -75µm before undergoing analysis and test work.; • QA/QC methods included using a In –House graphite field standard. The field duplicate/standard was prepared by SGS from material derived from the previous mapping and sampling programmes. The standards were inserted by Minrom at a rate of 1 in 20. AMIS 0415 Silica blanks were inserted by Minrom at a rate of 1 in 50. Duplicate analysis was done on some of the samples by SGS as part of their internal laboratory QA/QC; and • The 1m sample lengths utilized incorporated the internal waste if occurring within the sample between graphite bands. Sample intersections and lengths were guided by lithological boundaries but were not optimized for grade, there was consistancy in the sampling methodology used. • No sample compositing of the drill hole core samples was done during the exploration drilling phase.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	• SGS Johannesburg analysed for organic carbon and graphitic carbon by LECO; • The following elements were analysed for by XRF and reported by SGS: Cu, Zn, Fe, Mn, Ni and Pb; • Gold was analysed for by fire assay (Pb collection); • The techniques above are considered appropriate and total; • No geophysical tools were used for analysis; • Quality control procedures included the insertion by Minrom of blanks and field standards in between the primary samples, as well as the internal QA/QC by the laboratories which included insertion of blanks and CRMs, and duplicate analysis; • The accuracy levels of the instruments are of an acceptable level, they are regularly calibrated and SGS and UIS are ISO 17025 accredited for the specific analysis that was undertaken.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• Data entry was conducted by a Minrom geologist and then validated by the Senior Project geologist; • The data was initially recorded on hard copies. The geologists captured the data in digital format (Excel). Both the hard and soft copies of the captured logging data are being permanently stored by Minrom. • No Twin holes were drilled; and • No adjustments were made to the assay data
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• Downhole reflex readings were conducted and no significant reflex reading deviations were observed; • Grid system deployed was WGS_1984_UTM_Zone_36N; • Longitude, latitude and elevation was recorded by hand held GPS; and • Collars were surveyed using a differential GPS survey instrument by a Minrom appointed contract surveyor, Mr. Robert Kioko. He is a professional surveyor who is registered in Uganda.

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	• Drill holes were placed along strike to determine horizontal and vertical continuation of the ore zones; • The aim of the drill hole spacing in this very early stage exploration phase was to investigate the trend, dip and internal qualities of the mineralized graphite zones, for that particular section of the deposit; • The drill hole spacing in the 2 clusters of holes drilled was approximately 57m to 71m on dip and 57 to 120m along strike. • LODD02 and LODD03 were laid out 57m apart on strike and 430m away to the east of LODD01 along dip. • A second cluster of holes was laid out 1700m further on dip to the east, these included LODD04 and LODD05 120m apart on strike and LODD06 which was laid out 71m away from LODD05 along dip; • The drill hole samples were not composited
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• The lithological and mineralised graphite units dip at a 70° angle to the south west, drilling was conducted at a 60° angle to the north east to ensure the most perpendicular intersection of the ore body possible; and • Duplication of the mineralised zones were not observed in any of the drill holes, based on the knowledge of the geology of the area. No sampling bias has been introduced.
Sample security	• The measures taken to ensure sample security.	• The drill core, and trench samples are permanently being stored in locked secure containers by Minrom. The drill core samples are located in a secure container in Kitgum, Uganda and the drill core primary sample rejects and pulps, together with the trench samples are stored in a secure facility located in Centurion, in Pretoria, South Africa.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• No audits have been performed to date.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	• Three Exploration licenses EL1025, EL1173 and EL 1612, and one Mine Lease ML1959 were granted to Consolidated in the Kitgum district, Northern Uganda; • A renewal was granted to Consolidated Africa on 9th August 2015 until the 9th August 2017, for the prospecting of graphite, gold, zinc and mica. The license is secure, valid and in full conformance with the Ugandan Mineral Law; and • A Mining Lease ML 1959 for a period of 21 years, was recently granted to Consolidated African Resources (Uganda) Limited on 20 June 2019 by the Commissioner of the Geological Survey and Mines Department on behalf of the Ugandan government, under the Mining Act, 9, 2003
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• Previous exploration was conducted by W.H. Morton in the Lochomo (Rom North) and Rom south areas within the license during 1969; and • TMT mining and discovery Africa conducted a pitting and trenching programme in 2014.
Geology	• Deposit type, geological setting and style of mineralisation.	• Graphite Flake deposit; • Located within a metamorphic region composed of graphitic gneisses, alternating with barren zones of pyroxene gneisses containing garnets, amphibolites and quartzo-feldspathic bands; • The mineralisation style includes the banding of large to jumbo sized graphite flakes; and • Pyrite and mica associations are common with the graphite.
Drill hole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: • easting and northing of the drill hole collar • elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar • dip and azimuth of the hole • downhole length and interception depth • hole length. • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	• Table 5-2 within the CPR provides details of drill hole information

Criteria	JORC Code explanation	Commentary
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• Weighted averaging was determined by multiplication of the grade by the sample interval length for each sample, the result of each sample was then added to form a combined total and divided by the total sample interval length; • Minimum grade was determined to be 0.5% graphitic carbon and was used as the bottom limit in grade determinations and basic statistical analysis; • Samples from 3 of the 6 drill holes were characterised and analysed for low and medium to high grade graphite mineralisation, with the other 3 drill holes samples only being characterised and analysed for high grade graphite mineralisation; • Both high and medium grade samples have been utilised during the flake size and grading analysis, the low grade samples were not sent for flake size and grading analysis; and • Sample lengths of 1m were used as consistently as possible during the sampling programme.
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the downhole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	• True thickness calculations were utilised to declare the thickness of the mineralised zones. The down hole lengths, drilling angle and dip of the units in the deposit was used to determine the true thicknesses. The true thicknesses of the individual graphite bearing units intersected in the drill holes have been reported by Minrom and range between 5m and 36m; and • The thicknesses of the surface outcrop of the three mineralised zones reported of 150m, 435m and 500m respectively are not true thicknesses. Mineralisation occurs down to a depth of 120m below surface. The mineralised zones dip at 70° to the south west, this has been interpreted from measurements taken on surface and measurements of the dip angles of the downhole mineralised intersections. The 3 mineralised zones also include minor proportions of un-mineralised lithological units.
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	• Appropriate maps, sections and tables are located within the body of Section 5.7 of this CPR.
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	• Minimum grade: 0.5% graphitic carbon; • Maximum grade: 15.9% graphitic carbon; and • Weighted Average grade: 8.01% graphitic carbon.

Criteria	JORC Code explanation	Commentary
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	• Mineralogical test work was done on three of the drill hole core samples selected by Minrom (M6152,M6204 and M6244), this include Flake size distribution studies, chemical analysis for carbon and sulphur and XRD analysis of the minerals present. • A VTEM geophysical survey was undertaken by GeoTech in May 2016; a total of 1078 line km was flown within the Exploration License areas EL1025 and EL1173, Analysis of the results of the VTem geophysical survey, by GeoTech, resulted in several anomalies being identified within the license area, of which three primary and three secondary targets were selected by the geologists for further exploration. • A trenching programme (Phase 4) was undertaken by Minrom in July 2016over the two strongest geophysical anomalies GT_03 and GT_01, which were identified as the primary targets. The northern and central trenches were located over the GT_03 geophysical target, which is in the central to northern portion of the license area, and the southern trench was located over the GT_01 geophysical target which is located in the southern portion of the licence area. • The Central and Northern trenches are spaced 1.3km apart and the Central and Southern trenches are spaced 5.4km apart in a SE direction. A total of 4 200m of trenches were excavated and sampled by Minrom. • A total of 271 samples were taken across the two most promising geophysical target areas during the trenching programme, 107 from the Northern Trench, 83 from the Central trench and 81 from the Southern Trench. A total of 231 primary samples were exported to South Africa and submitted by Minrom for analysis together with 36 QA/QC samples. • SRK verification of trenching, and • The Central (1) and Northern (2) Trenches were inspected by SRK, the locations of graphite hosting gneisses and other lithological units noted and check structural measurements were taken. The azimuth and dip angle of the strata (foliation) in the trenches and the areas surrounding the trenches were measured by Minrom and the average regional foliation trend and dip angles determined.

Criteria	JORC Code explanation	Commentary
Further work	• The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• Further exploration drilling is planned by Blencowe (see Section 9.1) to delineate and test for lateral extension of the graphite deposit, for grade continuity throughout the area, test the ranges of the Exploration Target and develop mineral resource estimates; • The majority of the drill holes will be located within the GT_03 geophysical target area (see Figure 5-30) in the northern portion of EL1025, with a small number of drill holes planned to be drilled in the other geophysical target areas. • The areas delineated for further exploration drilling is illustrated on Figure 9-1 within the CPR.

SRK Report Client Distribution Record

Project Number: 548838

Report Title: Competent Person's Report on Consolidated Africa's Orom Graphite Project, Uganda

Date Issued: 30/10/2019

Name/Title	Company
Alan Page	SRK South Africa

Rev No.	Date	Revised By	Revision Details
0	17/09/2019	M Cunningham	Draft Report
1	31/10/2019	M Cunningham	Draft Report

SRK Internal Document Control

Project Number: 548838

Report Title: Competent Person's Report on Consolidated Africa's Orom Graphite Project, Uganda

Project Manager: A Page

Peer Reviewer: M Wanless

Date Issued: 30 October 2019

Document Distribution Details			
Name/Title	**Company**	**Item Type Quantity**	**Rev No.**
Alan Page	SRK South Africa	Emailed	0

To be completed for all reports

Document Revision Details			
Rev No.	**Date**	**Revised By**	**Revision Details**
A	02/07/2019	M Cunningham	Initial Draft
B	10/09/2019	M Cunningham	Incorporating Alan's and Jeremy's contribution
C	11/09/2019	M Cunningham	Final revisions
D	13/09/2019	A Page	Revisions
E	16/09/2019	M Cunningham	Revisions
F	17/09/2019	D Kaminski / R Wulfse	Formatting / TE
G	19/09/2019	K Lloyd	Peer review
H	21/09/2019	M Cunningham	Addressed Karen's review to Valuation section
0	03/10/2019	Alan Page	Draft released to Client
0A	14/10/2019	Mark Wanless	Peer Review
0B	31/10/2019	M Cunningham	

SRK Peer Review Record

This document should be read in conjunction with the SRK AU Peer Review Guidelines. Before a Contract/Proposal or deliverable is issued to the Client, it must be peer reviewed in accordance with the SRK AU QMS.

Note that Peer Review information must be recorded on Admin Service Request **on SharePoint site.**

PART VI

SHARE CAPITAL, LIQUIDITY AND CAPITAL RESOURCES, ACCOUNTING POLICIES

1 SHARE CAPITAL

The Company was incorporated on 18 September 2017 under the Companies Act 2006. Details of the current issued Ordinary Shares of the Company are set out in paragraph 3 of Part XI — Additional Information. The currency of the securities issue is Pounds Sterling. As at Admission, there will be 98,333,326 issued Shares of 0.5 pence each.

All of the issued Shares will be in registered form, and capable of being held in certificated or uncertificated form. The Registrar will be responsible for maintaining the share register. Temporary documents of title will not be issued. The ISIN number of the Shares is GB00BFCMVS34. The SEDOL number of the Shares is BFCMVS3.

2 FINANCIAL POSITION

The Company has cash resources of £8,249.39 as at the date of this Document and £nil borrowings.

3 LIQUIDITY AND CAPITAL RESOURCES

3.1 Sources of cash and liquidity

The Company's source of cash will be the balance of funds available from the funds held by the Company at the date of Admission and the Net Proceeds available to the Company from the Placing and Subscription. The Company will use such cash to fund: (i) the expenses of the Admission, Placing and the Subscription; (ii) the work programme and budget as set out in part 1, section 4 and part 2, section 7; (iii) on-going costs and expenses (in relation to the Company's listing on the Main Market of London Stock Exchange.

3.2 Cash uses

The Company's principal use of cash (including the Net Proceeds) will be to fund the intended work programmes as noted below. The Company's current intention is to retain earnings for use in its business operations and it does not anticipate declaring any dividends in the foreseeable future. Cash will also be used to pay the Directors' salaries.

Budget Expenditure	£
Drilling (JORC Resource)	500,000
Preliminary Operational Studies	300,000
Tenement costs and compensation	1200,000
Corporate expenses and working capital	753,000
Total	1,753,000

3.3 Indebtedness

As at the date of this Document, the Company has no guaranteed, secured, unguaranteed or unsecured debt and no indirect or contingent indebtedness. The Company may incur indebtedness to finance and future development of the Orom Graphite Project and/or future acquisitions, and to fund its liquidity needs. Such indebtedness may expose the Company to risks associated with movements in prevailing interest rates. Changes in the level of interest rates can affect, among other things: (i) the cost and availability of debt financing and hence the Company's ability to achieve attractive rates of return on its assets; (ii) the rate of return on the Company's uninvested cash balances. This exposure may be reduced by introducing a combination of fixed and floating interest rates or through the use of hedging transactions (such as derivative transactions, including swaps or caps). Interest rate hedging transactions will only be undertaken for the purpose of efficient portfolio management and will not be carried out for speculative purposes.

3.4 **Hedging arrangements and risk management**

The Company may use forward contracts, options, swaps, caps, collars and floors or other strategies or forms of derivative instruments to limit its exposure to changes in the relative values of investments that may result from market developments, including changes in prevailing interest rates and currency exchange rates, as previously described. It is expected that the extent of risk management activities by the Company will vary based on the level of exposure and consideration of risk across the business.

The success of any hedging or other derivative transaction generally will depend on the Company's ability to correctly predict market changes. As a result, while the Company may enter into such a transaction to reduce exposure to market risks, unanticipated market changes may result in poorer overall investment performance than if the transaction had not been executed. In addition, the degree of correlation between price movements of the instruments used in connection with hedging activities and price movements in a position being hedged may vary.

Moreover, for a variety of reasons, the Company may not seek, or be successful in establishing, an exact correlation between the instruments used in hedging or other derivative transactions and the position being hedged and could create new risks of loss. In addition, it may not be possible to fully or perfectly limit the Company's exposure against all changes in the values of its assets, because the values of its assets are likely to fluctuate as a result of a number of factors, some of which will be beyond the Company's control.

3.5 **Capitalisation and indebtedness illustration**

The table below setting out the Company's capitalisation and indebtedness position has been included for illustrative purposes only.

CAPITALISATION AND INDEBTEDNESS

3.5.1 ***Company***

Capitalisation

The following table shows the Company's capitalisation as at 30 September 2019, as extracted from the Company's audited financial information incorporated by reference in Part VII (A) *"Historical Financial Information of the Company"* of this Document:

	Audited As at 30 September 2019
Total Current Debt	
– Guaranteed	–
– Secured	–
– Unguaranteed/Unsecured	–
Total Non-Current Debt (excluding current portion of long-term debt)	
– Guaranteed	–
– Secured	–
– Unguaranteed/Unsecured	–
Total debt	–
Shareholder's Equity	
(a) Share capital	400,000
(b) Share premium	209,983
(c) Warrants reserve	33,778
(d) Accumulated deficit	(406,639)
Total capitalisation	287,122

There have been no changes to the Company's capitalisation since 30 September 2019.

Indebtedness

The following table shows the Company's indebtedness as at 31 December 2019, as extracted from the Company's unaudited management information as at that date:

	Unaudited As at 31 December 2019 £
A. Cash	20,440
B. Cash equivalent	–
C. Trading securities	–
D. **Liquidity (A) + (B) + (C)**	20,440
E. Current financial receivable	158,126
F. Current bank debt	–
G. Current portion of non-current debt	–
H. Other current financial debt	–
I. **Current Financial Debt (F) + (G) + (H)**	–
J. **Net Current Financial Indebtedness (I) – (E) – (D)**	(178,566)
K. Non-current bank loans	–
L. Bonds issued	–
M. Other non-current loans	–
N. **Non-current Financial Indebtedness (K) + (L) + (M)**	–
O. Net Financial Indebtedness (J) + (N)	(178,566)

There have been no changes to the Company's indebtedness since 31 December 2019.

3.5.2 *Consolidated African (Uganda)*

Capitalisation

The following table shows Consolidated African (Uganda)'s capitalisation as at 30 June 2019, as extracted from the Consolidated African (Uganda) Interim Financial Information:

	Unaudited As at 30 June 2019 $
Total Current Debt	
– Guaranteed	–
– Secured	–
– Unguaranteed/Unsecured	–
Total Non-Current Debt (excluding current portion of long-term debt)	
– Guaranteed	–
– Secured	–
– Unguaranteed/Unsecured	–
Total debt	–
Shareholder's Equity	
(a) Share capital	2,042
(b) Capital contribution	207,256
(c) Retained deficit	(83,142)
Total capitalisation	126,156

There have been no changes to Consolidated African (Uganda)'s capitalisation since 30 June 2019.

Indebtedness

The following table shows Consolidated African (Uganda)'s indebtedness as at 31 December 2019, as extracted from Consolidated African (Uganda)'s unaudited management information as at that date:

	Unaudited As at 31 December 2019 *$*
A. Cash	149
B. Cash equivalent	–
C. Trading securities	–
D. **Liquidity (A) + (B) + (C)**	**149**
E. Current financial receivable	–
F. Current bank debt	–
G. Current portion of non-current debt	–
H. Other current financial debt	–
I. **Current Financial Debt (F) + (G) + (H)**	–
J. **Net Current Financial Indebtedness (I) – (E) – (D)**	**(149)**
K. Non-current bank loans	–
L. Bonds issued	–
M. Other non-current loans	2,109,726
N. **Non-current Financial Indebtedness (K) + (L) + (M)**	2,109,726
O. **Net Financial Indebtedness (J) + (N)**	2,109,577

There have been no changes to Consolidated African (Uganda)'s indebtedness since 31 December 2019.

3.6 **Accounting policies and financial reporting**

The Company's financial year end is 30 September, and the next set of audited annual financial statements will be for the year from 1 October 2019 to 30 September 2020. The Company will produce and publish half-yearly financial information as required by the Disclosure and Transparency Rules. The Company will present its financial statements in accordance with IFRS.

PART VII

(A) HISTORICAL FINANCIAL INFORMATION OF THE COMPANY

The following audited historical financial information of the Company has been incorporated by reference:

Audited historical financial information for the year ended 30 September 2019

The Company's audited historical financial information for the year ended 30 September 2019 can be viewed on the Company's website at:

https://blencoweresourcesplc.com/wp-content/uploads/sites/23/2020/01/Blencowe-FS-30.09.2019v7-FINAL.pdf

The audited historical financial information available includes the following:

- Company information (page 1);
- chairman's statement (page 2);
- strategic report (page 4);
- Directors' report (page 6);
- Directors' remuneration report (page 12);
- report of the independent auditors (page 14);
- statement of comprehensive income for the year ended 30 September 2019 (page 19);
- statement of financial position as at 30 September 2019 (page 20);
- statement of changes in equity for the year ended 30 September 2019 (page 21);
- statement of cash flows for the year ended 30 September 2019 (page 22); and
- notes to the financial statements the year ended 30 September 2019 (page 23).

Audited financial information for the period from incorporation on 18 September 2017 to 30 September 2018

The Company's audited financial information for the period from incorporation on 18 September 2017 to 30 September 2018, such information is contained with Part (B) *"Historical Financial Information of the Company"* of Part V *"Financial Information of the Company"* of the Company's prospectus dated 11 April 2019, which can be viewed on the FCA's Document Storage Mechanism at:

https://tools.morningstar.co.uk/tsweu6nqxu/globaldocuments/document/documentHandler.ashx?DocumentId=218653098

The audited financial information available includes the following:

- statement of financial position as at 30 September 2018 (page 64);
- statement of comprehensive income for the period from incorporation on 18 September 2017 to 30 September 2018 (page 65);
- statement of changes in equity for the six-month period from incorporation on 18 September 2017 to 30 September 2018 (page 66);
- statement of cash flows for the period from incorporation on 18 September 2017 to 30 September 2018 (page 67); and
- notes to the financial statements the period from incorporation on 18 September 2017 to 30 September 2018 (pages 68 to 71).

All other parts of the Company's prospectus dated 11 April 2019 are irrelevant to Investors.

PART VII

(B) ACCOUNTANT'S REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF CONSOLIDATED AFRICAN (UGANDA)

Crowe U.K. LLP
Chartered Accountants
Member of Crowe Global
St Bride's House
10 Salisbury Square
London EC4Y 8EH, UK
Tel +44 (0)20 7842 7100
Fax +44 (0)20 7583 1720
DX: 0014 London Chancery Lane
www.crowe.co.uk

30 March 2020

The Directors
Blencowe Resources Plc
Walton House
25 Bilton Road
Rugby
Warwickshire CV22 7AG

Dear Sirs,

Introduction

We report on the audited historical financial information of Consolidated African Resources (Uganda) Limited ("Consolidated African (Uganda)") for the three years ended 31 December 2018 (the "Consolidated African (Uganda) Financial Information"). The Consolidated African (Uganda) Financial Information has been prepared for inclusion in Part VII(C) *"Historical Financial Information of Consolidated African (Uganda)"* of Blencowe Resources Plc's (the "Company") prospectus dated 30 March 2020 (the "Document"), on the basis of the accounting policies set out in note 3 to the Consolidated African (Uganda) Financial Information. This report is given for the purpose of complying with item 18.3.1 of Annex 1 to Commission Regulation (EU) 2017/1129 and is given for the purpose of complying with that requirement and for no other purpose.

The directors of the Company (the "Directors") are responsible for preparing the Consolidated African (Uganda) Financial Information in accordance with International Financial Reporting Standards, as adopted by the European Union ("IFRS").

It is our responsibility to form an opinion on the Consolidated African (Uganda) Financial Information, and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the Consolidated African (Uganda) Financial Information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the Consolidated African (Uganda) Financial Information and whether the accounting policies are appropriate to Consolidated African (Uganda)'s circumstances consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Consolidated African (Uganda) Financial Information is free from material misstatement whether caused by fraud or other irregularity or error.

Opinion

In our opinion, the Consolidated African (Uganda) Financial Information gives, for the purpose of the Document, a true and fair view of the state of affairs of Consolidated African (Uganda) as at 31 December 2018, 31 December 2017 and 31 December 2016 and of its results, cash flows and changes in equity for each of the years then ended in accordance with IFRS.

Declaration

For the purposes of PR 5.3.2R(2)(F), we declare that, to the best of our knowledge, the information contained in this report, for which we are responsible, is in accordance with the facts and that this report makes no omission likely to affect its import. This declaration is included in the Prospectus in compliance with item 1.2 of Annex 1 to the Commission Regulation (EU) 2017/1129.

Yours faithfully,

Crowe U.K. LLP
Chartered Accountants

PART VII

(C) HISTORICAL FINANCIAL INFORMATION OF CONSOLIDATED AFRICAN (UGANDA)

STATEMENTS OF COMPREHENSIVE INCOME

The audited statements of comprehensive income of Consolidated African (Uganda) for each of the three years ended 31 December 2018 are stated below:

	Notes	*Audited Year ended 31 December 2016 $*	*Audited Year ended 31 December 2017 $*	*Audited Year ended 31 December 2018 $*
Administrative expenses	5	(45,352)	(18,548)	(8,865)
Other income	6	–	–	50
Loss before tax		(45,352)	(18,548)	(8,815)
Taxation	7	–	–	–
Loss after tax and total comprehensive loss for the year		(45,352)	(18,548)	(8,815)
Loss per ordinary share				
Basic and diluted loss per ordinary share	8	$(45.35)	$(18.55)	$(8.82)

STATEMENTS OF FINANCIAL POSITION

The audited statements of financial position of Consolidated African (Uganda) as at 31 December 2018, 31 December 2017 and 31 December 2016 are stated below:

	Notes	*Audited As at 31 December 2016 $*	*Audited As at 31 December 2017 $*	*Audited As at 31 December 2018 $*
Mining exploration assets	9	178,096	195,620	207,383
Motor vehicles	10	14,583	10,208	5,833
Non-current assets		192,679	205,828	213,216
Cash and cash equivalents		527	345	493
Current assets		527	345	493
Total assets		193,206	206,173	213,709
Equity				
Share capital	11	2,042	2,042	2,042
Capital contribution		118,276	180,201	207,256
Retained deficit		(50,742)	(69,290)	(78,105)
Total equity		69,576	112,953	131,193
Trade payables		123,630	93,220	82,516
Current and total liabilities		123,630	93,220	82,516
Total equity and liabilities		193,206	206,173	213,709

STATEMENTS OF CHANGES IN EQUITY

The audited statements of changes in equity of Consolidated African (Uganda) for each of the three years ended 31 December 2018 are stated below:

	Share capital $	*Capital contribution* $	*Retained deficit* $	*Total* $
As at 1 January 2016	2,042	–	(5,390)	(3,348)
Loss for the year	–	–	(45,352)	(45,352)
Comprehensive loss for the year	–	–	(45,352)	(45,352)
Capital contribution from Consolidated Africa	–	118,276	–	118,276
Transactions with owners	–	118,276	–	118,276
As at 31 December 2016	2,042	118,276	(50,742)	69,576
Loss for the year	–	–	(18,548)	(18,548)
Comprehensive loss for the year	–	–	(18,548)	(18,548)
Capital contribution from Consolidated Africa	–	61,925	–	61,925
Transactions with owners	–	61,925	–	61,925
As at 31 December 2017	2,042	180,201	(69,290)	112,953
Loss for the year	–	–	(8,815)	(8,815)
Comprehensive loss for the year	–	–	(8,815)	(8,815)
Capital contribution from Consolidated Africa	–	27,055	–	27,055
Transactions with owners	–	27,055	–	27,055
As at 31 December 2018	2,042	207,256	(78,105)	131,193

STATEMENTS OF CASH FLOWS

The audited statements of cash flows of Consolidated African (Uganda) for each of the three years ended 31 December 2018 are stated below:

	Audited Year ended 31 December 2016 $	*Audited Year ended 31 December 2017 $*	*Audited Year ended 31 December 2018 $*
Cash flows from operating activities			
Loss before tax	(45,352)	(18,548)	(8,815)
Cash flow from operations reconciliation:			
Write-off of directors' loan accounts	–	–	(50)
Depreciation of motor vehicles	2,917	4,375	4,375
Working capital adjustments:			
Movement in trade and other payables	637	9,636	3,196
Net cash used in operating activities	(41,798)	(4,537)	(1,294)
Cash flows from investing activities			
Expenditure on mining exploration assets	(58,596)	(57,570)	(25,662)
Purchase of motor vehicles	(17,500)	–	–
Net cash used in investing activities	(76,096)	(57,570)	(25,662)
Cash flows from financing activities			
Capital contribution from Consolidated Africa	118,276	61,925	27,054
Loans from directors	–	–	50
Net cash from financing activities	118,276	61,925	27,104
Net increase/(decrease) in cash and cash equivalents	382	(182)	148
Cash and cash equivalents at the beginning of the year	145	527	345
Cash and cash equivalents at the end of the year	527	345	493

NOTES TO THE CONSOLIDATED AFRICAN (UGANDA) FINANCIAL INFORMATION

1. General information

Consolidated African (Uganda) was incorporated on 6 July 2011 in Uganda with company number 133327. The address of its registered office is 10th Floor East Wing, Commercial Plaza, Plot 7 Kampala Road, PO Box 29117, Kampala, Uganda.

Consolidated African (Uganda) is the owner of the Orom Graphite Project in Northern Uganda.

2. Basis of preparation

The principal accounting policies applied in the preparation of the Consolidated African (Uganda) Financial Information are set out below. These policies have been consistently applied to the period presented, unless otherwise stated.

The Consolidated African (Uganda) Financial Information has been prepared in accordance with IFRS. The Consolidated African (Uganda) Financial Information has been prepared using the measurement bases specified by IFRS for each type of asset, liability, income and expense.

The Consolidated African (Uganda) Financial Information is presented in $ unless otherwise stated, being the functional currency of Consolidated African (Uganda).

Going concern

The Consolidated African (Uganda) Financial Information has been prepared on a going concern basis. On the basis that the proposed transaction completes, the Directors have a reasonable expectation that Consolidated African (Uganda) has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the Consolidated African (Uganda) Financial Information.

Standards and interpretations issued and not yet effective:

As at the date of the Consolidated African (Uganda) Financial Information, the Directors have reviewed the standards in issue by the International Accounting Standards Board and the International Financial Reporting Interpretations Committee, which are effective for periods beginning on or after the stated effective date but have not yet been applied. In their view, these standards would not have a material impact on the financial reporting of Consolidated African (Uganda).

3. Significant accounting policies

The Consolidated African (Uganda) Financial Information is based on the following policies which have been consistently applied:

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and demand deposits with banks and other financial institutions, that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Mining exploration assets

Consolidated African (Uganda) follows IFRS 6 "*Exploration for and Evaluation of Mineral Resources*" in accounting for mining exploration assets. Costs incurred prior to obtaining the legal rights to explore an area are expensed immediately to the "*Statement of Profit or Loss and Other Comprehensive Income*". Only material expenditures incurred after the acquisition of a license interest are capitalised.

Motor vehicles

Motor vehicles are stated at cost less accumulated depreciation and impairment losses, if any. The cost of an item of motor vehicles initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Motor vehicles are generally depreciated on a straight-line basis over their estimated useful lives of four years.

Equity

Ordinary shares are classified as equity. Capital contributions arise following cash injections from Consolidated Africa when there is no liability to repay the amounts.

Loss per ordinary share

Consolidated African (Uganda) presents basic and diluted loss per ordinary share data for its ordinary shares. Basic loss per ordinary share is calculated by dividing the loss attributable to shareholders by the weighted average number of ordinary shares outstanding during the period. Diluted loss per ordinary share is calculated by adjusting the loss and number of ordinary shares for the effects of dilutive potential ordinary shares.

Taxation

Income tax for the period is based on the taxable income for the year. Taxable income differs from profit as reported in the statement of comprehensive income for the period as there are some items which may never be taxable or deductible for tax and other items which may be deductible or taxable in other periods. Income tax for the period is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated African (Uganda) Financial Information.

Deferred income tax is determined using tax rates (and laws) that have been enacted, or substantially enacted, by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

4. Critical accounting estimates and judgments

In preparing the Consolidated African (Uganda) Financial Information, the Directors have to make judgments on how to apply Consolidated African (Uganda)'s accounting policies and make estimates about the future. The Directors have made the following critical judgment which may have a significant effect on the amounts recognised in the Consolidated African (Uganda) Financial Information:

Impairment indicators for mining exploration assets

Following a review by the Directors of Consolidated African (Uganda)'s mining exploration assets and expenditure incurred to date, the directors are of the opinion that no impairment indicators are apparent for these assets.

5. Administrative expenses

	Audited Year ended 31 December 2016 $	*Audited Year ended 31 December 2017 $*	*Audited Year ended 31 December 2018 $*
Travel	20,000	2,000	–
Legal and professional fees	7,500	7,500	1,580
Insurance	1,500	–	–
Bank charges	411	144	90
Management fees	170	204	204
Depreciation of motor vehicles	2,917	4,375	4,375
Other expenses	12,854	4,325	2,616
	45,352	18,548	8,865

6. Other income

	Audited Year ended 31 December 2016 $	*Audited Year ended 31 December 2017 $*	*Audited Year ended 31 December 2018 $*
Director's current account written off	–	–	50
	–	–	50

7. Taxation

	Audited Year ended 31 December 2016 $	*Audited Year ended 31 December 2017 $*	*Audited Year ended 31 December 2018 $*
Corporation tax on the loss for the year	–	–	–
	–	–	–

The charge for the years can be reconciled to the loss per the statement of comprehensive income as follows:

	Audited Year ended 31 December 2016 $	*Audited Year ended 31 December 2017 $*	*Audited Year ended 31 December 2018 $*
Loss before taxation	(45,352)	(18,548)	(8,815)
Effective corporation tax rate	30%	30%	30%
Expected tax credit based on the effective tax rate	(13,606)	(5,564)	(2,645)
Unused tax losses	13,606	5,564	2,645
Taxation charge for the year	–	–	–

8. Loss per ordinary share

There were no potentially dilutive instruments in issue as at 31 December 2018 (2017: none, 2016: none).

	Audited Year ended 31 December 2016 $	*Audited Year ended 31 December 2017 $*	*Audited Year ended 31 December 2018 $*
Loss attributable to shareholders	$(45,352)	$(18,548)	$(8,815)
Weighted average number of ordinary shares	1,000	1,000	1,000
Loss per ordinary share (basic and diluted)	$(45.35)	$(18.55)	$(8.82)

9. Mining exploration assets

	Audited Mining exploration assets $
Cost	
As at 1 January 2016	–
Additions	178,096
As at 31 December 2016	178,096
Additions	17,524
As at 31 December 2017	195,620
Additions	11,763
As at 31 December 2018	207,383
Amortisation	
As at 1 January 2016	–
As at 31 December 2016	–
As at 31 December 2017	–
As at 31 December 2018	–
Net book value	
As at 31 December 2016	178,096
As at 31 December 2017	195,620
As at 31 December 2018	207,383

10. Motor vehicles

	Audited Motor vehicles $
Cost	
As at 1 January 2016	–
Additions	17,500
As at 31 December 2016	17,500
Additions	–
As at 31 December 2017	17,500
Additions	–
As at 31 December 2018	17,500
Depreciation	
As at 1 January 2016	–
Charge for the year	(2,917)
As at 31 December 2016	(2,917)
Charge for the year	(4,375)
As at 31 December 2017	(7,292)
Charge for the year	(4,375)
As at 31 December 2018	(11,667)
Net book value	
As at 31 December 2016	14,583
As at 31 December 2017	10,208
As at 31 December 2018	5,833

11. Share capital

	Audited As at 31 December 2016 $	*Audited As at 31 December 2017 $*	*Audited As at 31 December 2018 $*
Number of ordinary shares in issue	1,000	1,000	1,000
Nominal value of ordinary shares (UXG 10,000 each)	UXG 100,000	UXG 100,000	UXG 100,000
Share capital, fully paid up	$2,042	$2,042	$2,042

12. Financial instruments

Financial risk management objectives and policies

Consolidated African (Uganda)'s major financial instrument comprises its bank balance. The risks associated with this financial instrument, and the policies on how to mitigate this risk are set out below. The Consolidated African (Uganda) directors manage and monitor these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit risk

Consolidated African (Uganda) Financial Information's credit risk is wholly attributable to its cash balance. The credit risk from its cash and cash equivalents is limited because the counter parties are banks with high credit ratings and have not experienced any losses in such accounts.

Liquidity risk

Consolidated African (Uganda) seeks to maintain sufficient cash and access to funding to ensure financial liabilities can be settled when they fall due. To do this, Consolidated African (Uganda) has relied on capital injections from Consolidated Africa. All Consolidated African (Uganda)'s financial liabilities fall due within one year.

Interest rate risk

Consolidated African (Uganda)'s exposure to interest rate risk is the interest received on the cash held, which is immaterial.

Currency risk

As all monetary assets and liabilities and all transactions of Consolidated African (Uganda) are denominated in $, being its functional currency. As such, Consolidated African (Uganda) is exposed to no foreign currency risk.

13. Related party transactions

Consolidated Africa (parent company and ultimate controlling party)

During the year ended 31 December 2018, Consolidated Africa forwarded $27,055 of cash to Consolidated African (Uganda) to fund exploration activities and general working capital (2017: $61,925, 2016: $118,276). As at 31 December 2018, $27,055 was written off and recorded as a "*capital contribution*" within equity on "*Statement of Financial Position*" and represented the maximum amount forwarded during the year (2017: $61,925, 2016: $118,276). As at 31 December 2018, the amount owing to Consolidated Africa was $nil (2017: $nil, 2016: $nil).

John Cross (director)

During the year ended 31 December 2018, John Cross forwarded $50 of cash to Consolidated African (Uganda) to fund general working capital (2017: $nil, 2016: $nil). As at 31 December 2018, $50 was written off and recorded as "*other income*" within the "*Statement of Comprehensive Income*" and represented the maximum amount forwarded during the year (2017: $nil, 2016: $nil). As at 31 December 2018, the amount owing to John Cross was $nil (2017: $nil, 2016: $nil).

14. Ultimate controlling party

As at 31 December 2018, 31 December 2017 and 31 December 2016, the ultimate controlling party of Consolidated African (Uganda) was Consolidated Africa.

15. Events after the balance sheet date

On 13 May 2019, the Company entered into Heads of Terms with Consolidated Africa to purchase the entire issued share capital of Consolidated African (Uganda).

Subsequent to 31 December 2018:

- the Company agreed to cover certain exploration expenses on behalf of Consolidated African (Uganda) to the value of $274,726 (£223,431); and
- Consolidated African (Uganda) entered into a surface rights agreement with Locomo Land Owners' Association for surface rights over ML 1959. The associated consideration payable is UGX 6,700,000,000 (approximately $1,835,000) and is due over a ten-year period commencing 31 January 2020.

16. Nature of the Consolidated African (Uganda) Financial Information

The Consolidated African (Uganda) Financial Information presented above does not constitute statutory accounts for the period under review.

PART VII

(D) INTERIM FINANCIAL INFORMATION OF CONSOLIDATED AFRICAN (UGANDA)

STATEMENTS OF COMPREHENSIVE INCOME

The unaudited interim statements of comprehensive income of Consolidated African (Uganda) for the six-month periods ended 30 June 2019 and 30 June 2018 are stated below:

	Notes	*Unaudited Six months ended 30 June 2019 $*	*Unaudited Six months ended 30 June 2018 $*
Administrative expenses	5	(5,037)	(3,927)
Other income	6	–	50
Loss before tax		(5,037)	(3,877)
Taxation	7	–	–
Loss after tax and total comprehensive loss for the period		(5,037)	(3,877)
Loss per ordinary share			
Basic and diluted loss per ordinary share	8	$(5.04)	$(3.88)

STATEMENTS OF FINANCIAL POSITION

The unaudited interim statement of financial position of Consolidated African (Uganda) as at 30 June 2019, together with the audited statement of financial position as at 31 December 2018, are stated below:

	Notes	*Unaudited As at 30 June 2019 $*	*Audited As at 31 December 2018 $*
Mining exploration assets	9	1,694,891	207,383
Motor vehicles	10	3,644	5,833
Non-current assets		1,698,535	213,216
Cash and cash equivalents		251	493
Current assets		251	493
Total assets		1,698,786	213,709
Equity			
Share capital	11	2,042	2,042
Capital contribution		207,256	207,256
Retained deficit		(83,142)	(78,105)
Total equity		126,156	131,193
Other payables	12	1,338,757	–
Non-current liabilities		1,338,757	–
Trade and other payables	13	233,873	82,516
Current liabilities		233,873	82,516
Total liabilities		1,572,630	82,516
Total equity and liabilities		1,698,786	213,709

STATEMENTS OF CHANGES IN EQUITY

The unaudited interim statements of changes in equity of Consolidated African (Uganda) for the six-month periods ended 30 June 2019, 31 December 2018 and 30 June 2018 are stated below:

	Share capital *$*	*Capital contribution* *$*	*Retained deficit* *$*	*Total* *$*
As at 31 December 2017 *(audited)*	2,042	180,201	(69,290)	112,953
Loss for the period	–	–	(3,877)	(3,877)
Comprehensive loss for the period	–	–	(3,877)	(3,877)
Capital contribution from Consolidated Africa	–	5,240	–	5,240
Transactions with owners	–	5,240	–	5,240
As at 30 June 2018 *(unaudited)*	2,042	185,441	(73,167)	114,316
Loss for the period	–	–	(4,938)	(4,938)
Comprehensive loss for the period	–	–	(4,938)	(4,938)
Capital contribution from Consolidated Africa	–	21,815	–	21,815
Transactions with owners	–	21,815	–	21,815
As at 31 December 2018 *(audited)*	2,042	207,256	(78,105)	131,193
Loss for the period	–	–	(7,223)	(7,223)
Comprehensive loss for the period	–	–	(7,223)	(7,223)
As at 30 June 2019 *(unaudited)*	2,042	207,256	(85,328)	123,970

STATEMENTS OF CASH FLOWS

The unaudited interim statements of cash flows of Consolidated African (Uganda) for the six-month periods ended 30 June 2019 and 30 June 2018 are stated below:

	Unaudited Six months ended 30 June 2019 *$*	*Unaudited Six months ended 30 June 2018* *$*
Cash flows from operating activities		
Loss before income tax	(5,036)	(3,877)
Cash flow from operations reconciliation:		
Write-off of directors' loan accounts	–	(50)
Depreciation on motor vehicles	2,188	2,188
Working capital adjustments:		
Change in trade payables	2,606	1,598
Net cash used in operating activities	(242)	(141)
Cash flows from investing activities		
Expenditure on mining exploration assets	–	(5,000)
Net cash used in investing activities	–	(5,000)
Cash flows from financing activities		
Capital contribution from Consolidated Africa	–	5,240
Loans from directors	–	50
Net cash from financing activities	–	5,290
Net (decrease)/increase in cash and cash equivalents	(242)	149
Cash and cash equivalents at the beginning of the period	493	345
Cash and cash equivalents at the end of the period	251	494

NOTES TO THE CONSOLIDATED AFRICAN (UGANDA) INTERIM FINANCIAL INFORMATION

1. General information

Consolidated African (Uganda) was incorporated on 6 July 2011 in Uganda with company number 133327. The address of its registered office is 10th Floor East Wing, Commercial Plaza, Plot 7 Kampala Road, P O Box 29117 Kampala, Uganda.

Consolidated African (Uganda) is the owner of the Orom Graphite Project in Northern Uganda.

2. Basis of preparation

The principal accounting policies applied in the preparation of the Consolidated African (Uganda) Interim Financial Information are set out below. These policies have been consistently applied to the period presented, unless otherwise stated.

The Consolidated African (Uganda) Interim Financial Information has been prepared in accordance with IFRS. The Consolidated African (Uganda) Interim Financial Information has been prepared using the measurement bases specified by IFRS for each type of asset, liability, income and expense.

The Consolidated African (Uganda) Interim Financial Information is presented in £ unless otherwise stated.

Going concern

The Consolidated African (Uganda) Interim Financial Information has been prepared on a going concern basis. On the basis that the proposed transaction completes, the Directors have a reasonable expectation that Consolidated African (Uganda) has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the Consolidated African (Uganda) Interim Financial Information.

Standards and interpretations issued and not yet effective:

As at the date of the Consolidated African (Uganda) Interim Financial Information, the Directors have reviewed the standards in issue by the International Accounting Standards Board and the International Financial Reporting Interpretations Committee, which are effective for periods beginning on or after the stated effective date but have not yet been applied. In their view, these standards would not have a material impact on the financial reporting of Consolidated African (Uganda).

3. Significant accounting policies

The accounting policies applied in the preparation of Consolidated African (Uganda) Interim Financial Information are the same as those applied in the preparation of the Consolidated African (Uganda) Interim Financial Information set out in Part VII(C) "*Historical Financial Information of Consolidated African (Uganda)*" of this Document, and have been prepared on the basis of the accounting policies which will be used by the Company in the preparation of its statutory accounts for the financial year ended 30 September 2019 which will be prepared in accordance with IFRS.

4. Critical accounting estimates and judgments

In preparing the Consolidated African (Uganda) Interim Financial Information, the Directors have to make judgments on how to apply Consolidated African (Uganda)'s accounting policies and make estimates about the future. The Directors have made the following critical judgment which may have a significant effect on the amounts recognised in the Consolidated African (Uganda) Interim Financial Information:

Mining exploration assets

Recognition

During the six-month period ended 30 June 2019, Consolidated African (Uganda) entered into a surface rights agreement with Locomo Land Owners' Association for surface rights over ML 1959. The associated consideration payable is UGX 6,700,000,000 (approximately $1,835,000) over a ten-year period commencing 31 January 2020. Assuming ten equal instalments commencing 31 January 2020 and a discount factor of 5.0%, the net present value of the surface rights is $1,487,508. The critical assumption made by the directors with respect to the recognised value is the discount factor used. Should the discount factor increase by 10% to 5.5%, the net present value of the surface rights recognised within "*mining exploration assets*" on the "*Statement of financial position*" would decrease by $28,576. Should the discount factor decrease by 10% to 4.5%, the net present value of the surface rights recognised within "*mining exploration assets*" on the "*Statement of financial position*" would increase by $29,558.

Impairment indicators

Following a review by the Directors of Consolidated African (Uganda)'s mining exploration assets and expenditure incurred to date, the directors are of the opinion that no impairment indicators are apparent for these assets.

5. Administrative expenses

	Unaudited Six months ended 30 June 2019 $	*Unaudited Six months ended 30 June 2018 $*
Legal and professional fees	1,910	790
Management fees	102	102
Bank charges	140	39
Depreciation of motor vehicles	2,188	2,188
Other expenses	696	808
	5,036	3,927

6. Other income

	Unaudited Six months ended 30 June 2019 $	*Unaudited Six months ended 30 June 2018 $*
Directors' current accounts written off	–	50
	–	50

7. Taxation

	Unaudited Six months ended 30 June 2019 $	*Unaudited Six months ended 30 June 2018 $*
Corporation tax on the loss for the period	–	–
	–	–

The charge for the period can be reconciled to the loss per the statement of comprehensive income as follows:

	Unaudited Six months ended 30 June 2019 $	*Unaudited Six months ended 30 June 2018 $*
Loss before taxation	(5,036)	(3,877)
Effective corporation tax rate	30%	30%
Expected tax credit based on the effective tax rate	(1,511)	(1,163)
Unused tax losses	1,511	1,163)
Taxation charge for the period	–	–

8. Loss per ordinary share

There were no potentially dilutive instruments in issue as at 30 June 2019 (2018: none).

	Unaudited Six months ended 30 June 2019 $	*Unaudited Six months ended 30 June 2018 $*
Loss attributable to shareholders	$(5,037)	$(3,877)
Weighted average number of ordinary shares	1,000	1,000
Loss per ordinary share (basic and diluted)	$(5.04)	$(3.88)

9. Mining exploration assets

	Mining exploration assets $
Cost	
As at 31 December 2017 *(audited)*	195,620
Additions in the period	–
As at 30 June 2018 *(unaudited)*	195,620
Additions in the period	11,763
As at 31 December 2018 *(audited)*	207,383
Additions in the period	1,487,508
As at 30 June 2019 *(unaudited)*	1,694,891
Amortisation	
As at all periods reported	–
Net book value	
As at 30 June 2018 *(unaudited)*	195,620
As at 31 December 2018 *(audited)*	207,383
As at 30 June 2019 *(unaudited)*	1,694,891

During the six-month period ended 30 June 2019, Consolidated African (Uganda) entered into a surface rights agreement with Locomo Land Owners' Association for surface rights over ML 1959. The associated consideration payable is UGX 6,700,000,000 (approximately $1,835,000) over a ten-year period commencing 31 January 2020. Assuming ten equal instalments commencing 31 January 2020 and a discount factor of 5.0%, the net present value of the surface rights is $1,487,508.

10. Motor vehicles

	Motor vehicles *$*
Cost	
As at 31 December 2017 *(audited)*	17,500
Additions during the period	–
As at 30 June 2018 *(unaudited)*	17,500
Additions during the period	–
As at 31 December 2018 *(audited)*	17,500
Additions during the period	–
As at 30 June 2019 *(unaudited)*	17,500
Depreciation	
As at 31 December 2017 *(audited)*	(7,292)
Charge for the period	(2,188)
As at 30 June 2018 *(unaudited)*	(9,480)
Charge for the period	(2,188)
As at 31 December 2018 *(audited)*	(11,668)
Charge for the period	(2,188)
As at 30 June 2018 *(unaudited)*	(13,856)
Net book value	
As at 30 June 2018 *(unaudited)*	8,020
As at 31 December 2018 *(audited)*	5,833
As at 30 June 2019 *(unaudited)*	3,644

11. Share capital

	Unaudited As at 30 June 2019	*Audited As at 31 December 2018*
Number of ordinary shares in issue	1,000	1,000
Nominal value of ordinary shares (UXG 10,000 each)	UXG 100,000	UXG 100,000
Share capital, fully paid up	$2,042	$2,042

12. Other payables (non-current)

	Unaudited As at 30 June 2019	*Audited As at 31 December 2018*
Surface rights payable *(undiscounted)*	1,835,000	–
Less:		
Deferred costs	(347,492)	–
Surface rights payable *(discounted)*	1,487,508	
Analysed as:		
Non-current	1,338,757	–
Current	148,751	–

13. Trade and other payables

	Unaudited As at 30 June 2019	*Audited As at 31 December 2018*
Trade payables	85,000	82,516
Surface rights payable	148,751	–
	233,873	82,516

14. Financial instruments

Financial risk management objectives and policies

Consolidated African (Uganda)'s major financial instruments comprise its cash and cash at bank balance of $252 (2018: $493) and financial liabilities at amortised cost of $1,487,508 (2018: $nil). The risks associated with these financial instruments, and the policies on how to mitigate these risks are set out below. The Consolidated African (Uganda) directors manage and monitor these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit risk

Consolidated African (Uganda) Financial Information's credit risk is wholly attributable to its cash balance. The credit risk from its cash and cash equivalents is limited because the counter parties are banks with high credit ratings and have not experienced any losses in such accounts.

Liquidity risk

Consolidated African (Uganda) seeks to maintain sufficient cash and access to funding to ensure financial liabilities can be settled when they fall due. To do this, Consolidated African (Uganda) has relied on capital injections from Consolidated Africa. All Consolidated African (Uganda)'s financial liabilities fall due within one year.

Interest rate risk

Consolidated African (Uganda)'s exposure to interest rate risk is the interest received on the cash held, which is immaterial.

Currency risk

As all monetary assets and liabilities and all transactions of Consolidated African (Uganda) are denominated in $, being its functional currency. As such, Consolidated African (Uganda) is exposed to no foreign currency risk.

15. Related party transactions

Consolidated Africa (parent company and ultimate controlling party)

During the six-month period ended 30 June 2019, Consolidated Africa forwarded $nil cash to Consolidated African (Uganda) to fund general working capital (2018: $5,240). As at 30 June 2019, $nil was written off and recorded as a "*capital contribution"* within equity on "*Statement of Financial Position*" and represented the maximum amount forwarded during the year (2018: $5,240). As at 30 June 2019, the amount owing to Consolidated Africa was $nil (2018: $nil).

John Cross (director)

During the six-month period ended 30 June 2019, John Cross forwarded $nil cash to Consolidated African (Uganda) to fund general working capital (2018: $50). As at 30 June 2019, $nil was written off and recorded as "*other income*" within the "*Statement of Comprehensive Income*" and represented the maximum amount forwarded during the year (2018: $50). As at 30 June 2019, the amount owing to John Cross was $nil (2018: $nil).

16. Events after the balance sheet date

Subsequent to 30 June 2019, the Company agreed to cover certain exploration expenses on behalf of Consolidated African (Uganda) to the value of $274,726 (£223,431).

17. Ultimate controlling party

As at 30 June 2019 and 30 June 2018, the ultimate controlling party of Consolidated African (Uganda) was Consolidated Africa.

18. Nature of the Consolidated African (Uganda) Interim Financial Information

The Consolidated African (Uganda) Interim Financial Information presented above does not constitute statutory accounts for the period under review.

PART VIII

(A) ACCOUNTANT'S REPORT ON THE PRO FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP

Crowe U.K. LLP
Chartered Accountants
Member of Crowe Global
St Bride's House
10 Salisbury Square
London EC4Y 8EH, UK
Tel +44 (0)20 7842 7100
Fax +44 (0)20 7583 1720
DX: 0014 London Chancery Lane
www.crowe.co.uk

30 March 2020

The Directors
Blencowe Resources Plc
Walton House
25 Bilton Road
Rugby
Warwickshire CV22 7AG

Dear Sirs,

Introduction

We report on the unaudited pro forma statement of financial position as at 30 September 2019 and on the unaudited pro forma statement of comprehensive income for the year then ended (together, the "**Pro Forma Financial Information**") set out in Part VIII(B) *"Pro-Forma Financial Information of the Enlarged Group"* of Blencowe Resources Plc's (the "**Company**") prospectus (the "**Document**") dated 30 March 2020, which has been prepared on the basis of the notes thereto, for illustrative purposes only, to provide information about how:

- the assignment of the option to acquire the entire issued share capital of Consolidation African Resources (Uganda) Limited and the Orom Graphite Project, satisfied by the issue of 8,333,333 ordinary shares in the Company at £0.06 per new ordinary share to New Energy Minerals Africa Pty Ltd.;
- the acquisition of the entire issued share capital of Consolidation African Resources (Uganda) Limited, satisfied by the issue of 25,000,000 ordinary shares in the Company at £0.06 per new ordinary share to Consolidated Africa Limited and the payment of AUS$50,000 cash whether or not completion occurs;
- the issue of 8,333,333 new ordinary shares in the Company at £0.06 per new ordinary share in relation to the subscription;
- the issue of 24,999,996 new ordinary shares in the Company at £0.06 per new ordinary share in relation to the placing; and
- payment of the costs associated with the acquisition, placing and admission,

might have affected the assets, liabilities, equity and earnings presented on the basis of the accounting policies adopted by the Company in preparing the audited historical financial information for the year ended 30 September 2019. This report is required by Section 3 of Annex 20 of Commission Regulation (EU) 2017/1129 and is given for the purpose of complying with that requirement and for no other purpose.

Responsibilities

It is the responsibility of the directors of the Company (the "Directors") to prepare the Pro-Forma Financial Information in accordance with Section 1 and Section 2 of Annex 20 of Commission Regulation (EU) 2017/1129.

It is our responsibility to form an opinion, in accordance with Section 3 of Annex 20 of Commission Regulation (EU) 2017/1129, as to the proper compilation of the Pro-Forma Financial Information and to report that opinion to you in accordance with Section 3 of Annex 20 of Commission Regulation (EU) 2017/1129.

Basis of opinion

We conducted our work in accordance with Standards of Investment Reporting issued by the Auditing Practices Board in the United Kingdom. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro Forma Financial Information with the Directors.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with reasonable assurance that the Pro Forma Financial Information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside the United Kingdom, including the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion:

- the Pro Forma Financial Information has been properly complied on the basis stated; and
- such basis is consistent with the accounting policies of the Company.

Declaration

For the purposes of PR 5.3.2R(2)(F), we declare that, to the best of our knowledge, the information contained in this report, for which we are responsible, is in accordance with the facts and that this report makes no omission likely to affect its import. This declaration is included in the Prospectus in compliance with Annex.1, item 1.2 of the Commission Regulation (EU) 2017/1129.

Yours faithfully,

Crowe U.K. LLP
Chartered Accountants

PART VIII

(B) PRO FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP

Set out below is the unaudited pro forma statement of financial position of the Enlarged Group as at 30 September 2019 and the pro forma statement of comprehensive income for the year then ended (together, the "Pro Forma Financial Information"). The Pro Forma Financial Information has been prepared on the basis set out in the notes below to illustrate the effects of:

- the assignment of the option to acquire the entire issued share capital of Consolidation African (Uganda) and the Orom Graphite Project, satisfied by the issue of the Option Shares;
- the Acquisition, issue of the Acquisition Shares and payment of AUS$50,000 cash;
- the issue of the Subscription Shares;
- the issue of the Placing Shares; and
- payment of the Costs,

on the assets, equity and liabilities of the Company as at 30 September 2019 and on the earnings of the Company for the year then ended. The Pro Forma Financial Information has been prepared for illustrative purposes only. Because of its nature, the Pro Forma Financial Information addresses a hypothetical situation and, therefore, does not represent the Group's actual financial position. It is based on the schedules used in preparing:

- the audited statement of financial position of the Company as at 30 September 2019 and the audited income statement for the year then ended, which are incorporated by reference in Part VII(A) "*Historical Financial Information of the Company*" of this Document; and
- the unaudited statement of financial position of Consolidated African (Uganda) as at 30 June 2019 and the unaudited income statement for the six-month period then ended, which are reproduced in Part VII(D) "*Interim Financial Information of Consolidated African (Uganda)*" of this Document, as amended by the unaudited management accounts of Consolidated African (Uganda) for the three-month period ended 31 December 2018 and the three-month period ended 30 September 2019.

Users should read the whole of this document and not rely solely on the summarised financial information contained in this Part VIII(B) "*Pro Forma Financial Information of the Enlarged Group*".

The report on the Pro Forma Financial Information is set out in Part VIII(A) "*Accountant's Report on the Pro Forma Financial Information of the Enlarged Group*" of this Document.

Unaudited pro forma statement of financial position

	Company As at 30 September 2019 (Note 1) £	*Adjustment Assignment of Option (Note 2)* £	*Adjustment Acquisition (Note 3)* £	*Adjustment Issue of the Subscription Shares (Note 4)* £	*Adjustment Placing and Costs (Note 5)* £	*Unaudited pro forma balances* £
Mining exploration assets	–	500,000	3,129,346	–	–	3,629,346
Motor vehicles	–	–	2,075	–	–	2,075
Non-current assets	–	500,000	3,131,421	–	–	3,631,421
Trade and other receivables	256,854	–	(212,259)	–	–	44,595
Cash and cash equivalents	141,992	–	(27,322)	500,000	1,278,000	1,892,670
Current assets	398,846	–	(239,581)	500,000	1,278,000	1,937,265
Total assets	398,846	500,000	2,891,840	500,000	1,278,000	5,568,686
Equity						
Share capital	450,000	333,333	1,000,000	333,333	1,000,000	3,116,666
Share premium	209,983	166,667	500,000	166,667	387,627	1,430,944
Warrants reserve	33,778	–	–	–	–	33,778
Merger reserve	–	–	101,670	–	–	101,670
Retained (deficit)	(406,639)	–	11,172	–	(109,627)	(505,094)
Total equity	287,122	500,000	1,612,842	500,000	1,278,000	4,177,964
Non-current liabilities						
Other payables	–	–	1,088,792	–	–	1,088,792
Total non-current liabilities	–	–	1,088,792	–	–	1,088,792
Current liabilities						
Trade and other payables	111,724	–	190,206	–	–	301,930
Total current liabilities	111,724	–	190,206	–	–	301,930
Total equity and liabilities	398,846	500,000	2,891,840	500,000	1,278,000	5,568,686

Unaudited pro forma income statement

	Company results for the year ended 30 September 2019 (Note 1) £	*Adjustment Assignment of Option (Note 2)* £	*Adjustment Acquisition (Note 3)* £	*Adjustment Issue of the Subscription Shares (Note 4)* £	*Adjustment Placing and Costs (Note 5)* £	*Unaudited pro forma results for the year ended 30 September 2019* £
Administrative expenses	(243,119)	–	3,065	–	(109,627)	(349,681)
Loss before tax	(243,119)	–	3,065	–	(109,627)	(349,681)
Taxation	–	–	–	–	–	–
Loss after tax	(243,119)	–	3,065	–	(109,627)	(349,681)

Notes

1 The financial information relating to the Company has been extracted without adjustment from the Company's audited historical financial information for the year ended 30 September 2019 incorporated by reference in Part VII(A) "*Historical Financial Information of the Company*" of this Document.

2 The adjustment of £500,000 to intangible fixed assets represents the assignment of the Option to acquire the entire issued share capital of Consolidated African (Uganda) and the Orom Graphite Project, satisfied by the issue of 8,333,333 Shares at £0.06 per Share. In accordance with IFRS, £333,333 has been allocated to share capital and £166,667 has been allocated to share premium.

3 The adjustment to intangible assets and to equity of £1,750,916 represents the acquisition by the Company of the entire issued share capital of Consolidated African (Uganda), satisfied by the issue of 25,000,000 Shares at £0.06 per Share and the payment of AUS$50,000 cash, translated into £27,485 at the rate of AUS$1.81917 to £1. In accordance with IFRS, £1,000,000 has been allocated to share capital and £500,000 has been allocated to share premium.

The assets, liabilities and equity relating to Consolidated African (Uganda) has been extracted without adjustment from the unaudited Consolidated African (Uganda) management information as at 30 September 2019 and translated from $ to £ at the rate of $1.22958 to £1 as follows:

	Unaudited Consolidated African (Uganda) as at 30 September 2019 $	*Adjustment Unaudited Consolidated African (Uganda) as at 30 September 2019* £
Mining exploration assets	1,969,616	1,601,861
Motor vehicles	2,551	2,075
Cash and cash equivalents	200	163
Total assets	1,972,367	1,603,935
Share capital	2,042	1,661
Capital contribution	207,256	168,558
Retained deficit	(84,287)	(68,549)
Total equity	125,011	101,670
Other payables *(non-current)*	1,338,757	1,088,792
Trade and other payables *(current)*	233,873	190,206
Company payables *(current)*	274,726	223,431
Total liabilities	1,847,356	1,502,428
Total equity and liabilities	1,972,367	1,604,098

The results of Consolidated African (Uganda) for the year ended 30 June 2019 have been extracted from the unaudited Consolidated African (Uganda) Interim Financial Information set out in Part VII (D) "*Interim Financial Information of Consolidated African (Uganda)*" of this Document, and adjusted to add:

- the unaudited results of Consolidated African (Uganda) for the three-month period ended 31 December 2018, as extracted from the unaudited management accounts of Consolidated African (Uganda) for that period; and
- the unaudited results of Consolidated African (Uganda) for the three-month period ended 30 September 2019, as extracted from the unaudited management accounts of Consolidated African (Uganda) for that period,

and translated from $ to £ at the rate of $1.22958 to £1 as follows:

	Unaudited Consolidated African (Uganda) results for the six months ended 30 June 2019	*Add Unaudited Consolidated African (Uganda) results for the three months ended 31 December 2018*	*Add Unaudited Consolidated African (Uganda) results for the three months ended 30 September 2019*	*Adjusted Unaudited Consolidated African (Uganda) results for the year ended 30 September 2019*	*Adjustment Unaudited Consolidated African (Uganda) results for the year ended 30 September 2019*
	$	*$*	*$*	*$*	*£*
Administrative expenses	(5,036)	(3,787)	(1,145)	(9,968)	(8,107)
Loss before tax	(5,036)	(3,787)	(1,145)	(9,968)	(8,107)
Taxation	–	–	–	–	–
Loss after tax	(5,036)	(3,787)	(1,145)	(9,968)	(8,107)

4 The adjustment to cash of £500,000 represents the issue of 8,333,333 Subscription Shares at the Placing Price of £0.06 per Share on Admission, for cash consideration of £500,000.

5 The adjustment to cash of £1,278,000 represents the issue of 24,999,996 Placing Shares at the Placing Price of £0.06 per Share on Admission, for cash consideration of £1,500,000, less settlement of the associated Costs of £222,000.

Of the £222,000 Costs, £112,373 has been allocated to share premium and £109,627 to administrative costs in accordance with IFRS.

6 With respect to the adjustments to the unaudited pro forma income statement, only those adjustments set out in Note 3 will have a continuing impact on the Company.

7 The Pro Forma Financial Information does not reflect any changes in the trading position of the Company, additional or subsequent acquisitions, or any other changes arising from other transactions since 30 September 2019.

8 The Pro Forma Financial Information does not reflect any changes in the trading position of Consolidated African (Uganda), additional or subsequent acquisitions, or any other changes arising from other transactions since 30 September 2019.

PART IX

(A) OPERATING AND FINANCIAL REVIEW OF THE COMPANY

The following operating and financial review contains financial information that has been extracted or derived without material adjustment from the Company's audited financial information for the 13-month period from incorporation on 18 September 2017 to 30 September 2018 and the year ended 30 September 2019 incorporated by reference in Part VII(A) "Historical Financial Information of the Company" of this Document, prepared in accordance with IFRS.

The following discussion should be read in conjunction with the other information in this Document and the historical financial information of the Company available at www.blencoweresourcesplc.com. This discussion contains forward-looking statements, which, although based on assumptions that the Directors consider reasonable, are subject to risks and uncertainties which could cause actual events or conditions to differ materially from those expressed or implied by the forward-looking statements. Investors should read the notice in relation to forward looking statements contained on page 24 of this Document.

The key risks and uncertainties, include, but are not limited to those described in the section of this Document entitled "Risk Factors" on pages 10 to 20 of this Document.

Summary income statements

Summarised below are the audited income statements of the Company for the 13-month period from incorporation on 18 September 2017 to 30 September 2018 and the year ended 30 September 2019:

	Audited 13 months ended 30 September 2018 £	*Audited Year ended 30 September 2019* £
Administrative expenses	(163,520)	(243,119)
Loss before tax	(163,520)	(243,119)
Taxation	–	–
Loss after tax for the period	(163,520)	(243,119)

Source: Audited financial statements

Summary statements of financial position

Summarised below are the audited statements of financial position of the Company as at 30 September 2018 and 30 September 2019:

	Audited As at 30 September 2018 £	*Audited As at 30 September 2019 £*
Trade and other receivables	–	256,854
Cash and cash equivalents	278,089	141,992
TOTAL ASSETS	278,089	398,846
Share capital	400,000	450,000
Share premium	–	209,983
Warrants reserve	5,506	33,778
Retained deficit	(163,520)	(406,639)
Total equity	241,986	287,122
Trade and other payables	36,103	111,724
Total current liabilities	36,103	111,724
TOTAL EQUITY AND LIABILITIES	278,089	398,846

Source: Audited financial statements

Summary cash flow statements

Summarised below are the audited cash flow statements of the Company for the 13-month period from incorporation on 18 September 2017 to 30 September 2018 and the year ended 30 September 2019:

	Audited 13 months ended 30 September 2018 £	*Audited Year ended 30 September 2019 £*
Loss after tax	(163,520)	(243,119)
Share issue/warrant costs	5,506	28,272
Changes in working capital:		
Increase in trade and other receivables	–	(256,853)
Increase in trade and other payables	36,103	75,620
Cash used in operating activities	(121,911)	(396,080)
Issue of Shares	400,000	400,000
Share issue costs	–	(140,017)
Cash inflows from financing activities	400,000	259,983
Net increase/(decrease) in cash	278,089	(136,097)
Cash brought forward	–	278,089
Cash carried forward	278,089	141,992

Source: Audited financial statements

Results for the thirteen-month period ended 30 September 2018

The Company was incorporated on 18 September 2017 with the objective of admitting its Shares to the Official List, by way of a Standard Listing under Chapter 14 of the Listing Rules, and to trading on the London Stock Exchange's Main Market for listed securities.

Following incorporation, the Company subsequently issued an aggregate 21,666,664 Shares of nominal value £0.005, raising equity and cash of £400,000 through to 30 September 2018. During the period ended 30 September 2018, the Company incurred aggregate cash outflows of £121,911 in relation to administrative expenses. As a result of the above cash transactions, the Company's cash balance was £278,089 as at 30 September 2018. Alongside the issue of the above Shares, 10,833,336 warrants were issued with an exercise price of £0.04, giving rise to a £5,506 charge within administrative expenses.

In addition to the above cash expenditures, the Company incurred a further £36,103 of administrative expenses during the period ended 30 September 2018 and these remained unpaid at the period end. As such, the Company recorded a trade and other payable balance of £36,103 at the period end.

During the period ended 30 September 2018, the Company reported an operating loss of £163,520, comprising £58,286 of Directors' remuneration, £43,644 of Share issue and warrant costs, £24,044 of professional fees, £20,339 of travelling expenses, £9,000 of administrative fees, £6,600 of audit fees and £1,607 of other administrative costs. Retained losses carried forward as at 30 September 2018 were £163,520.

Results for the year ended 30 September 2019

On 18 April 2019, the Company achieved its stated intention to admit its Shares to the Official List, by way of a Standard Listing under Chapter 14 of the Listing Rules, and to trading on the London Stock Exchange's Main Market for listed securities. As part of the admission, the Company completed the placing of 8,500,000 Shares of £0.005 at £0.04 per Share, raising gross cash proceeds of £340,000. Net of placing and admission costs of £80,000, a cash inflow of £260,000 was realised. In addition, a further 1,500,000 Shares were issued in settlement of £60,000 of costs incurred under two facilitation agreements with third party service providers. Alongside the issue of the above Shares, 3,625,000 warrants were issued with an exercise price of £0.06, giving rise to a £28,272 charge within administrative expenses.

During the year, the Company agreed to cover some expenses for Consolidated African (Uganda) for the value of £223,431, of which a provision of £11,172 was made. In addition to this cash outflow, a further £172,649 was incurred in relation to administrative expenses. As a result of the above cash outflows, the Company's cash balance was reduced to £141,992 as at 30 September 2019.

In addition to the above cash expenditures, the Company incurred a further £39,517 of administrative expenses during the year ended 30 September 2019 and these remained unpaid at the period end. When added to the brought forward trade and other payables of £36,103, the Company recorded a trade and other payable balance of £75,620 at the year end.

During the year ended 30 September 2019, the Company reported an operating loss of £243,119, comprising £75,077 of Directors' remuneration, £54,203 of professional fees, £28,272 of share issue and warrant costs, £19,552 of listing fees, £19,200 of audit fees, £12,211 of project and acquisition costs, £11,172 of provisions, £8,159 of administration fees, £5,000 od broker fees, £4,685 of travelling expenses and £5,588 of other administrative costs. Retained losses carried forward as at 30 September 2019 were £406,639.

PART IX

(B) OPERATING AND FINANCIAL REVIEW OF CONSOLIDATED AFRICAN (UGANDA)

The following operating and financial review contains financial information that has been extracted or derived without material adjustment from the unaudited Consolidated African (Uganda) Financial Information for the three years ended 31 December 2018 set out in Part VII(C) "Historical Financial Information of Consolidated African (Uganda)" and the unaudited Consolidated African (Uganda) Interim Financial Information for the six-month period ended 30 June 2019 as included in Part VII(D) "Interim Financial Information of Consolidated African (Uganda)" of this Document, prepared in accordance with IFRS.

The following discussion should be read in conjunction with the other information in this Document, in particular with the entire Part VII(C) "Historical Financial Information of Consolidated African (Uganda)" and Part VII(D) "Interim Financial Information of Consolidated African (Uganda)". This discussion contains forward-looking statements, which, although based on assumptions that the Directors consider reasonable, are subject to risks and uncertainties which could cause actual events or conditions to differ materially from those expressed or implied by the forward-looking statements. Investors should read the notice in relation to forward looking statements contained on page 24 of this Document.

The key risks and uncertainties, include, but are not limited to those described in the section of this Document entitled "Risk Factors" on pages 10 to 20 of this Document.

Summary income statements

Summarised below are the audited income statements of Consolidated African (Uganda) for each of the years ended 31 December 2016, 31 December 2017, 31 December 2018 and the audited interim income statement for the six-month period ended 30 June 2019:

	Audited Year ended 31 December 2016 $	*Audited Year ended 31 December 2017 $*	*Audited Year ended 31 December 2018 $*	*Unaudited Six months ended 30 June 2019 $*
Administrative expenses	(45,352)	(18,548)	(8,865)	(5,037)
Other income	–	–	50	–
Loss before tax	(45,352)	(18,548)	(8,815)	(5,037)
Taxation	–	–	–	–
Loss after tax for the period	(45,352)	(18,548)	(8,815)	(5,037)

Source: Audited Consolidated African (Uganda) Financial Information and unaudited Consolidated African (Uganda) Interim Financial Information

Summary statements of financial position

Summarised below are the audited statements of financial position of Consolidated African (Uganda) as at each of 31 December 2016, 31 December 2017, 31 December 2018 and the unaudited interim statement of financial position as at 30 June 2019:

	Audited As at 31 December 2016 $	*Audited As at 31 December 2017 $*	*Audited As at 31 December 2018 $*	*Unaudited As at 30 June 2019 $*
Mining exploration assets	178,096	195,620	207,383	1,694,891
Motor vehicles	14,583	10,208	5,833	3,644
Non-current assets	192,679	205,828	213,216	1,698,535
Cash and cash equivalents	527	345	493	251
Current assets	527	345	493	251
TOTAL ASSETS	193,206	206,173	213,709	1,698,786
Share capital	2,042	2,042	2,042	2,042
Capital contribution	118,276	180,201	207,256	207,256
Retained deficit	(50,742)	(69,290)	(78,105)	(83,142)
Equity	69,576	112,953	131,193	126,156
Other payables	–	–	–	1,338,757
Non-current liabilities	–	–	–	1,338,757
Trade payables	123,630	93,220	82,516	85,000
Other payables	–	–	–	148,751
Current liabilities	123,630	93,220	82,516	233,873
TOTAL EQUITY AND LIABILITIES	193,206	206,173	213,709	1,698,786

Source: Audited Consolidated African (Uganda) Financial Information and unaudited Consolidated African (Uganda) Interim Financial Information

Summary cash flow statements

Summarised below are the audited cash flow statements of Consolidated African (Uganda) for each of the years ended 31 December 2016, 31 December 2017, 31 December 2018 and the unaudited cash flow statement for the six-month period ended 30 June 2019:

	Audited Year ended 31 December 2016 $	*Audited Year ended 31 December 2017 $*	*Audited Year ended 31 December 2018 $*	*Unaudited Six months ended 30 June 2019 $*
Loss before tax	(45,352)	(18,548)	(8,815)	(5,036)
Write-off of directors' loan accounts	–	–	(50)	–
Depreciation of motor vehicles	2,917	4,375	4,375	2,188
Movement in trade payables	637	9,636	3,196	2,606
Cash used in operating activities	(41,798)	(4,537)	(1,294)	(242)
Expenditure on mining exploration assets	(58,596)	(57,570)	(25,662)	–
Purchase of motor vehicles	(17,500)	–	–	–
Cash outflows from investing activities	(76,096)	(57,570)	(25,662)	–
Capital contribution from Consolidated Africa	118,276	61,925	27,054	–
Loans from directors	–	–	50	–
Cash inflows from financing activities	118,276	61,925	27,054	–
Net increase/(decrease) in cash	382	(182)	148	(242)
Cash brought forward	145	527	345	493
Cash carried forward	527	345	493	251

Source: Audited Consolidated African (Uganda) Financial Information and unaudited Consolidated African (Uganda) Interim Financial Information

Results for the year ended 31 December 2016

During the year ended 31 December 2016, Consolidated African (Uganda) reported a net cash inflow of $382. A total of $118,276 was received from Consolidated Africa during the year, of which $58,596 was spent on Consolidated Africa (Uganda)'s mining exploration assets, $17,500 on a motor vehicle and a further $41,798 on administrative expenses, comprising $20,000 on travel, $7,500 on legal and professional fees, $1,500 on insurance, $170 on management fees, $411 on bank charges and $12,217 on other administrative costs. As at 31 December 2016, Consolidated African (Uganda)'s cash balance was $527.

During the year ended 31 December 2016, Consolidated African (Uganda) reported a trading loss of $45,352, comprising the above cash administrative expenses of $41,798, plus a depreciation charge on motor vehicles of $2,917 and unpaid administrative expenses carried forward as trade payables of $637. Retained losses carried forward as at 31 December 2016 were $50,742.

There was no movement in Consolidated African (Uganda)'s issued share capital during the year. The increase in capital contribution of $118,276 was by virtue of the funds provided by Consolidated Africa as set out above. Trade payables increased by $120,317 during the year as a result of unpaid mining exploration asset additions of $119,500 and administrative expenses of $637, resulting in a balance of $123,630 at the year end.

Results for the year ended 31 December 2017

During the year ended 31 December 2017, Consolidated African (Uganda) reported a net cash outflow of $182. A total of $61,925 was received from Consolidated Africa during the year, of which $57,570 was spent on Consolidated Africa (Uganda)'s mining exploration assets and a further $4,537 on administrative expenses, comprising $2,000 on travel, $204 on management fees, $144 on bank charges and $2,189 on other administrative costs. As at 31 December 2017, Consolidated African (Uganda)'s cash balance was $345.

During the year ended 31 December 2017, Consolidated African (Uganda) reported a trading loss of $18,548, comprising the above cash administrative expenses of $4,537, plus a depreciation charge on motor vehicles of $4,375 and unpaid administrative expenses carried forward as trade payables of $9,636. Retained losses carried forward as at 31 December 2017 were $69,290.

There was no movement in Consolidated African (Uganda)'s issued share capital during the year. The increase in capital contribution of $57,570 was by virtue of the funds provided by Consolidated Africa as set out above. Trade payables increased by $15,440 during the year as a result of unpaid mining exploration asset additions of $5,804 and administrative expenses of $9,636, offset by cash payments during the year of $45,850, resulting in a net decrease of $30,410 to $93,220 at the year end.

Results for the year ended 31 December 2018

During the year ended 31 December 2018, Consolidated African (Uganda) reported a net cash inflow of $148. A total of $27,054 was received from Consolidated Africa during the year and a further $50 from a director, of which $25,662 was spent on Consolidated Africa (Uganda)'s mining exploration assets and a further $1,294 on administrative expenses, comprising $204 on management fees, $90 on bank charges and $1,000 on other administrative costs. As at 31 December 2018, Consolidated African (Uganda)'s cash balance was $493.

During the year ended 31 December 2018, Consolidated African (Uganda) reported a trading loss of $8,815, comprising the above cash administrative expenses of $1,294, a depreciation charge on motor vehicles of $4,375, unpaid administrative expenses carried forward as trade payables of $3,196, less $50 in relation to the write-off of the loan provided by the director. Retained losses carried forward as at 31 December 2018 were $78,105.

There was no movement in Consolidated African (Uganda)'s issued share capital during the year. The increase in capital contribution of $25,662 was by virtue of the funds provided by Consolidated Africa as set out above. Trade payables increased by $3,196 during the year as a result of unpaid administrative expenses, offset by cash payments during the year of $13,900, resulting in a net decrease of $10,704 to $82,516 at the year end.

Results for the six-month period ended 30 June 2019

During the six-month period ended 30 June 2019, Consolidated African (Uganda) reported a net cash outflow of $242, comprising $102 on management fees and $140 on bank charges. As at 30 June 2019, Consolidated African (Uganda)'s cash balance was $251.

During the six-month period ended 30 June 2019, Consolidated African (Uganda) reported a trading loss of $5,037, comprising the above cash administrative expenses of $242, plus a depreciation charge on motor vehicles of $2,188 and unpaid administrative expenses carried forward as trade payables of $2,607. Retained losses carried forward as at 30 June 2019 were $83,142.

There was no movement in either Consolidated African (Uganda)'s issued share capital or capital contribution during the period. Trade payables increased by $2,607 during the year as a result of unpaid administrative expenses, resulting in a balance of $82,516 at the period end.

During the six-month period ended 30 June 2019, Consolidated African (Uganda) entered into a surface rights agreement with Locomo Land Owners' Association for surface rights over ML 1959. The associated consideration payable is UGX 6,700,000,000 (approximately $1,835,000) over a ten-year period commencing 31 January 2020. The net present value of the surface rights is $1,487,508, of which $1,338,757 is included within "*non-current liabilities*" and $148,751 within "*current liabilities*" as at 30 June 2019.

PART X

TAXATION

1 TAXATION IN THE UNITED KINGDOM

The following information is based on UK tax law and HMRC practice currently in force in the UK. Such law and practice (including, without limitation, rates of tax) is in principle subject to change at any time. The information that follows is for guidance purposes only. Any person who is in any doubt about his or her position should contact their professional advisor immediately.

An investment in the Company involves a number of complex tax considerations. Changes in tax legislation in any of the countries in which the Group has assets or in the United Kingdom (or in any other country in which a subsidiary of the Company through which an acquisition is made, is located), or changes in tax treaties negotiated by those countries, could adversely affect the returns from the Company to Investors.

Prospective Investors should consult their own independent professional advisers on the potential tax consequences of subscribing for, purchasing, holding or selling Shares under the laws of their country and/or state of citizenship, domicile or residence including the consequences of distributions by the Company, either on a liquidation or distribution or otherwise.

2 UNITED KINGDOM TAXATION

The following information is based on UK tax law and HM Revenue and Customs ("**HMRC**") practice currently in force in the UK. Such law and practice (including, without limitation, rates of tax) is in principle subject to change at any time. The information that follows is for guidance purposes only. Any person who is in any doubt about his or her position should contact their professional advisor immediately.

3.1 Tax treatment of UK investors

The following information, which relates only to UK taxation, is applicable to persons who are resident in the UK and who beneficially own Shares as investments and not as securities to be realised in the course of a trade. It is based on the law and practice currently in force in the UK. The information is not exhaustive and does not apply to potential investors:

(a) who intend to acquire or may acquire (either on their own or together with persons with whom they are connected or associated for tax purposes), more than 10 per cent., of any of the classes of shares in the Company; or

who intend to acquire Shares as part of tax avoidance arrangements;

(b) or

(c) who are in any doubt as to their taxation position.

Such Shareholders should consult their professional advisers without delay. Shareholders should note that tax law and interpretation can change and that, in particular, the levels, basis of and reliefs from taxation may change. Such changes may alter the benefits of investment in the Company. Shareholders who are neither resident nor temporarily non-resident in the UK and who do not carry on a trade, profession or vocation through a branch, agency or permanent establishment in the UK with which the Shares are connected, will not normally be liable to UK taxation on dividends paid by the Company or on capital gains arising on the sale or other disposal of Shares. Such Shareholders should consult their own tax advisers concerning their tax liabilities.

3.2 Dividends

Where the Company pays dividends, Shareholders who are resident in the UK for tax purposes will, depending on their circumstances, be liable to UK income tax or corporation tax on those dividends.

UK resident individual Shareholders who are domiciled in the UK, and who hold their Shares as investments, will be subject to UK income tax on the amount of dividends received from the Company. Dividend income received by UK tax resident individuals will have a £2,000 dividend tax allowance. Dividend receipts in excess of £2,000 will be taxed at 7.5 per cent. for basic rate taxpayers, 32.5 per cent. for higher rate taxpayers, and 38.1 per cent. for additional rate taxpayers.

Shareholders who are subject to UK corporation tax should generally, and subject to certain anti-avoidance provisions, be able to claim exemption from UK corporation tax in respect of any dividend received but will not be entitled to claim relief in respect of any underlying tax or withholding tax imposed.

3.3 **Disposals of Shares**

Any gain arising on the sale, redemption or other disposal of Shares will be taxed at the time of such sale, redemption or disposal as a capital gain. The rate of capital gains tax on disposal of Shares by basic rate taxpayers will be 10 per cent., and for upper rate and additional rate taxpayers the rate will be 20 per cent..

For Shareholders within the charge to UK corporation tax, indexation allowance may reduce any chargeable gain arising on disposal of Shares but will not create or increase an allowable loss. Subject to certain exemptions, the corporation tax rate applicable to its taxable profits is currently 19 per cent. The rate was due to fall to 17 per cent. after 1 April 2020 but in the Budget on 11 March 2020 it was announced that the rate would remain at 19 per cent., after 1 April 2020. The indexation allowance has been removed from gains accruing after 1 January 2018.

3.4 **Further information for Shareholders subject to UK income tax and capital gains tax "Transactions in securities"**

The attention of Shareholders (whether corporates or individuals) within the scope of UK taxation is drawn to the provisions set out in, respectively, Part 15 of the Corporation Tax Act 2010 and Chapter 1 of Part 13 of the Income Tax Act 2007, which (in each case) give powers to HMRC to raise tax assessments so as to cancel "tax advantages" derived from certain prescribed "transactions in securities".

3.5 **Stamp Duty and Stamp Duty Reserve Tax ("SDRT")**

The statements below are intended as a general guide to the current position. They do not apply to certain intermediaries who are not liable to stamp duty or SDRT or (except where stated otherwise) to persons connected with depositary arrangements or clearance services who may be liable at a higher rate.

(a) No UK stamp duty or stamp duty reserve tax will be payable on the issue of the Shares.

Most investors will purchase existing Shares using the CREST paperless clearance system and these acquisitions will be subject to SDRT at 0.5 per cent. Where Shares are acquired using paper (i.e. non-electronic settlement) Stamp Duty will become payable if the purchase consideration exceeds £1,000, but only if the document is in the UK.

PART XI

ADDITIONAL INFORMATION

1 RESPONSIBILITY STATEMENT

The Directors, whose names appear on page 27, and the Company accept responsibility for the information contained in this Document. To the best of the knowledge of the Directors and the Company the information contained in this Document is in accordance with the facts and this Document makes no omission likely to affect its import.

2 THE COMPANY

2.1 The Company was incorporated with limited liability under the laws of England and Wales under the Companies Act on 18 September 2017 with number 10966847 under the name Cora Gold Limited. The Company changed its name to Blencowe Resources Limited on 26 September 2017. On 13 July 2018 the Company was re-registered as a public limited company to become Blencowe Resources plc.

2.2 The principal legislation under which the Company operates and under which the Shares are created and issued is the Companies Act 2006.

2.3 The Company's registered office is at Walton House, 25 Bilton Road, Rugby, Warwickshire CV22 7AG, United Kingdom. The telephone number for the Company is +44 (0)1624 681250.

2.4 On 13 July 2018, as part of the re-registration as a public limited liability company, the Company adopted the Articles in substitution for and to the exclusion of the Company's then existing articles of association. The Company operates in conformity with its Articles and the laws of England and Wales.

2.5 As at 27 March 2020, the latest practicable date prior to publication of this Document, the Company did not have any subsidiaries nor did it own any shares in any company.

2.6 Following Admission, the Company will be subject to the Listing Rules, Disclosure Guidance and Transparency Rules (and the resulting jurisdiction of the UK Listing Authority), to the extent such rules apply to companies with a Standard Listing pursuant to Chapter 14 of the Listing Rules.

3 SHARE CAPITAL

The following is a summary of the changes in the issued share capital of the Company from incorporation:

Issue of Shares

3.1 On incorporation of the Company, one fully paid subscriber ordinary share of £1 was issued to Mr. Kieren Mildwaters.

3.2 On 13 November 2017 each ordinary share of £1 was subdivided to 200 ordinary Shares of 0.5 pence each.

3.3 On 13 November 2017 9,999,800 Ordinary Shares were issued with 0.0125 pence being paid up on each ordinary Share; and by 25 July 2018 the balance on such shares was paid up.

3.4 Between 9 April 2018 and 30 July 2018, a total of 11,666,664 Ordinary Shares were issued at an issue price of 3 pence per ordinary Share, fully paid up.

3.5 On 18 April 2019, a total of 10,000,000 Ordinary Shares were issued at an issue price of 4 pence per Ordinary Share.

3.6 Subject to completion of the Acquisition, Placing, Subscription and Admission and the passing of the Resolutions the Company shall issue:

3.6.1.1 24,999,996 Placing Shares in aggregate pursuant to the Placing to certain institutional and other investors at £0.06 each;

3.6.1.2 8,333,333 Subscription Shares pursuant to the subscription letter received from Apul Investments Limited at the Placing Price;

3.6.1.3 25,000,000 Acquisition Shares as consideration payable to Consolidated Africa for the Acquisition; and

3.6.1.4 8,333,333 Option Shares as consideration payable to New Energy for the Acquisition.

3.7 The issued share capital of the Company at the date of this Document, not including the Placing Shares, Subscription Shares, Acquisition Shares and the Option Shares (in each case issued conditional upon Admission) is as follows:

Issued (fully paid)	*Number*
Shares	31,666,664

3.8 Upon Admission, the issued share capital of the Company will be as follows:

Issued (full paid)	*Number*
Shares	98,333,326

Grant of Warrants and Options

3.9 As at the date of this Document the Company has the following Warrants outstanding:

Name of Warrant Holder	*Number of Warrants*	*Date of Grant*	*Expiry of Warrant Period*	*Exercise Price*
Cameron Pearce	3,000,000	27 June 2018	18 April 2023	4 pence
Sam Quinn	2,000,000	27 June 2018	18 April 2023	4 pence
Alex Passmore	750,000	27 June 2018	18 April 2023	4 pence
Michael Ralston & Sharon Ralston ATF The Ralston Family Trust	1,000,000	27 June 2018	18 April 2023	4 pence
Azelea Family Holdings Pty Ltd	500,000	27 June 2018	18 April 2023	4 pence
Jason Stanley MacDonald	416,667	27 June 2018	18 April 2023	4 pence
Paul Sartori of the PSAR Family Trust	500,000	27 June 2018	18 April 2023	4 pence
West End Ventures Pty Ltd ATF The West End Trust	416,667	27 June 2018	18 April 2023	4 pence
Salmon Brick Pty Ltd	500,000	27 June 2018	18 April 2023	4 pence
John Lefroy Mair	250,000	27 June 2018	18 April 2023	4 pence
Stone College Holdings Limited	250,000	27 June 2018	18 April 2023	4 pence
Oliver Stansfield	166,667	27 June 2018	18 April 2023	4 pence
Jonathan Evans	166,667	27 June 2018	18 April 2023	4 pence
Neal T. Griffith	166,667	27 June 2018	18 April 2023	4 pence
Russell Jackson	166,667	27 June 2018	18 April 2023	4 pence
Alexander John Barblett	166,667	27 June 2018	18 April 2023	4 pence
RAB Special Situations (Master) Fund Ltd	150,000	27 June 2018	18 April 2023	4 pence
Brandon Hill Capital Limited	266,667	27 June 2018	18 April 2023	4 pence
Peel Hunt Holdings	437,500	31 August 2019	18 April 2022	6 pence
Platform Securities Nominees Ltd	750,000	31 August 2019	18 April 2022	6 pence
Andrew Gutmann	375,000	31 August 2019	18 April 2022	6 pence
Winterflood Securities Limited	125,000	31 August 2019	18 April 2022	6 pence
Jameker Pty Ltd.	500,000	31 August 2019	18 April 2022	6 pence
Brian McMaster	125,000	31 August 2019	18 April 2022	6 pence
Oliver Stansfield	312,500	31 August 2019	18 April 2022	6 pence
Neal T. Griffith	312,500	31 August 2019	18 April 2022	6 pence
Brandon Hill Capital Limited	687,500	31 August 2019	18 April 2022	6 pence
TOTAL	14,458,336			

3.10 The Company also intends to issue additional warrants on Admission to each Placee and Subscriber. Each Placee and Subscriber will be granted a Warrant to subscribe for 1 Share, for each 2 Shares held by such shareholder. Each Warrant will be exercisable at 8p per Share at any time from the date of Admission for five years.

3.11 Further details regarding the terms of the Warrants are set out at paragraphs 20.6 – 20.7 of this Part XI of this Document.

3.12 Subject to the passing of the Resolutions, the Company also intends to adopt an enterprise management incentive (EMI) and share option plan and unapproved share option plan (the "**Share Option Scheme**") under which it may award new Shares to Directors, eligible employees and consultants pursuant to which the remuneration committee or the Board may grant share options. Subject to approval of the Share Option Scheme, it is intended that individual option awards will be made to each director, Mike Ralston and Iain Wearing with effect from Admission. New Shares under this plan will not exceed 10 per cent. of the Company's issued Shares from time to time without the prior approval of the Shareholders.

General

3.13 Except as otherwise described herein, all the issued Shares are in registered form, and capable of being held in certificated or uncertificated form. The Registrar will be responsible for maintaining the Company's register of members and arranging for it to be kept at a location within the United Kingdom. Temporary documents of title will not be issued. The ISIN of the Shares is GB00BFCMVS34. The SEDOL of the Shares is BFCMVS3.

3.14 The Shares will rank in full for all dividends or other distributions hereafter declared, made or paid on the Shares and the Placing Shares, Subscription Shares, Acquisition Shares and the Option Shares will rank *pari passu* in all other respects with other Existing Shares in issue on Admission.

3.15 The Resolutions to be proposed at the Annual General Meeting, if passed, will authorise the pre-emption rights in the Articles will be disapplied in respect of the issue for cash of Shares with an aggregate nominal amount of £200,000 ("**Authorised Limit**") and, therefore, statutory pre-emption rights do not apply. Such authority is till the annual general meeting following the Annual General Meeting to be held in 2021, unless such authority is varied, revoked or renewed prior to such date by a special resolution of the Company in general meeting, save that the Company may before such expiry make offers or agreements which would or might require equity securities to be issued or granted after such expiry and the Directors of the Company may issue or grant equity securities in pursuance of any such offer or agreement notwithstanding that the authority given to the Directors of the Company pursuant to the above resolution have expired.

3.16 On completion of the Acquisition, application will be made for the Enlarged Issued Share Capital to be admitted to the Official List, by way of a Standard Listing, and to trading on the London Stock Exchange's main market for listed securities. A Standard Listing will afford investors in the Company a lower level of regulatory protection than that afforded to investors in companies with Premium Listings on the Official List, which are subject to additional obligations under the Listing Rules. It should be noted that the UKLA will not have authority to (and will not) monitor the Company's compliance with any of the Listing Rules that the Company has indicated herein that it intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Company to so comply.

3.17 Save as disclosed in paragraph 3 of this Part XI as at the date of this Document:

(a) no issued Shares of the Company are under option or have been agreed conditionally or unconditionally to be put under option;

(b) no Share or loan capital of the Company has been issued or is now proposed to be issued, fully or partly paid, either for cash or for a consideration other than cash;

(c) no commission, discount, brokerage or any other special term has been granted by the Company or is now proposed in connection with the issue or sale of any part of the Share or loan capital of the Company;

(d) no persons have preferential subscription rights in respect of any Share or loan capital of the Company or any subsidiary; and

(e) no amount or benefit has been paid or is to be paid or given to any promoter of the Company.

(f) the Company will have no short, medium or long term indebtedness.

4 SUBSTANTIAL SHAREHOLDERS

4.1 Save for the interests of the Directors and Key Management, which are set out in paragraph 6 of this Part XI, the Company is aware of the following persons who hold, or will on Admission hold, directly or indirectly, voting rights representing five per cent. or more of the Voting Rights of the Company:

Shareholder	*Number of Shares as at the date of this Document*	*Percentage of Current Issued Share Capital*	*Number of Shares on Admission*	*Percentage of Issued Shares on Admission*
JIM Nominees Limited	3,249,000	10.26%	0	3.30
BNY (OCS) Nominees Limited	3,157,166	9.97%	3.333.333	3.54
Consolidated Africa		0%	25,000,000	25.42
New Energy		0%	8,333,333	8.47

4.2 The Company is not aware of any person who, either as at the date of this Document or immediately following the Admission, exercises, or could exercise, directly or indirectly, jointly or severally, control over the Company.

4.3 Any person who is directly or indirectly interested in five per cent. (5 per cent.) or more of the Company's Voting Rights, is required to notify such interests to the Company in accordance with the provisions of Chapter 5 of the Disclosure Guidance and Transparency Rules, and such interests will be notified by the Company to the public.

4.4 No Shareholder of the Company holds any class of share that at the date of this Document or following Admission will have different Voting Rights from other holders of Shares.

5 OPTIONS

5.1 As at the date of this Document, the Company has not granted any options over Shares.

5.2 As noted in paragraph 3.10 above, subject to the passing of the Resolutions, the Company intends to adopt the Share Option Scheme pursuant to which options to subscribe for new Shares will be granted, including grants to the directors, Mike Ralston and Iain Wearing with effect from Admission.

6 DIRECTORS' AND KEY MANAGEMENT INTERESTS

6.1 The interests of the Directors and Key Management and their respective connected persons (within the meaning of section 252 of the Companies Act) in the issued share capital of the Company, on Admission, all of which are beneficial, are as follows:

Name	*Number of Shares as at the date of this Document*	*Number of Placing/Subscription Shares subject to Admission*	*Total Shares and % interest in Issued Shares on Admission**
Cameron Pearce	6,000,000	0	6.10
Sam Quinn	4,000,000	0	4.07
Alex Passmore	1,500,000	0	1.53
Michael Ralston & Sharon Ralston as Trustees for the Ralston Family Trust	2,000,000	0	2.03

6.2 Save as disclosed in this paragraph 6 and the Warrants disclosed in paragraph 3.9 – 10 of this Part XI, as at the date of this Document, no Director or member of the Key Management, administrative, management or supervisory bodies have any interests in options or warrants or in the issued share capital of the Company.

7 SUMMARY OF MEMORANDUM AND ARTICLES OF ASSOCIATION

The Company is incorporated in England and Wales as a company under the provisions of the Companies Act and therefore is subject to English law. Certain provisions of the Articles are summarised below.

7.1 Memorandum of Association

The provisions contained in the Company's Memorandum of Association determining its objects state that the Company's main activity is that of a general commercial company.

7.2 Shares

Subject to any limitation or provisions to the contrary contained in the memorandum or articles of association of a company, the issuance of shares and other securities in a company are under the control of its Directors. Under the Articles all unissued shares in the Company shall be at the disposal of the Board who, subject to being authorised to do so by the Company by an ordinary resolution, may allot (with or without conferring rights of renunciation), grant options over, offer or otherwise deal with or dispose of them or rights to subscribe for or convert any security into shares to such persons, at such times and generally on such terms and conditions as the Board may decide.

7.3 Articles of Association

The Articles of Association of the Company, contain, *inter alia*, the following provisions relating to the rights attaching to Shares

(a) There are no rights of pre-emption in respect of transfers of issued Shares. However, in certain circumstances, the Company's Shareholders may have statutory pre-emption rights under the Act in respect of the allotment of new shares in the Company. These statutory pre-emption rights would require the Company to place new shares for allotment of existing Shareholders on a *pro-rata* basis before allotting them to other persons. In such circumstances, the procedure for the exercise of such statutory pre-emption rights would be set out in the documentation by which such shares are offered to the Company's Shareholders.

(b) In order to transfer Shares, the instrument of transfer of any such shares must be in any usual form or in such other form as may be approved by the Directors and must be executed by or on behalf of the transferor and, if the shares are not fully paid, by or on behalf of the transferee. The Articles of Association contain no restrictions on the free transferability of fully paid shares, provided that the transfer is in respect of only one class of share and is accompanied by the share certificate and any other evidence of title required by the Directors and that the provisions in the Articles of Association relating to the deposit of instruments for transfer have been complied with.

(c) Each Share confers the rights to receive notice of and attend all meetings of shareholders. Each holder of Shares present at a general meeting in person or by proxy has one vote, and, on a poll, one vote for each Share of which he is the holder.

(d) On a winding up a liquidator may, with the sanction of an extraordinary resolution of the Company, divide amongst the holders of the Company's shares (in specie or in kind) the whole or any part of the assets of the Company, and may, with the like sanction, determine how such diversion is to be carried out.

(e) The Shares confer upon their holders the right to participate in any profits which the Company may from time to time determine to distribute in respect of any financial period.

(f) Subject to the provisions of the Act and if the profits of the Company justify such payments, the Directors may declare and pay interim dividends on shares of any class of such amounts as and when they think fit. All dividends are apportioned and paid pro-rata according to the amounts paid on the shares. No dividend or other monies payable on or in respect of a share will bear interest as against the Company. The Directors may retain any dividend or other monies payable on or in respect of a share on which the Company has a lien, and may apply them towards the satisfaction of the debts, liability or engagements in respect of a lien. A dividend may be retained if a shareholder has failed to comply with the statutory disclosure requirements of the Act. Any dividend unclaimed for twelve years will be forfeited and revert to the Company;

(g) Subject to the provisions of the Act, the Company may purchase any of its own shares, provided that the terms of any contract under which the Company will or may become entitled or obliged to purchase its own shares be authorised by an ordinary resolution of the Company in a general meeting before the Company enters into such a contract;

(h) All or any of the rights or privileges attached to any class of shares in the Company may be varied or abrogated with the consent in writing of the holders of three quarters in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of that class. At every such separate general meeting the quorum is two persons holding or representing by proxy one-third in nominal value of the issued shares of that class; and

(i) The Company may make arrangements for any class of its shares to be issued in uncertified form and in accordance with and subject as provided in The Uncertificated Securities Regulations 2001 and transfer of title of those shares shall be effected by means of relevant system in the manner provided for and subject as provided for in the Uncertificated Securities Regulations 2001. Shares held in certificated form and those held in uncertificated form may be changed to certificated form.

Shares are defined in the Articles as “shares in the Company”. The rights attaching to the shares, as set out in the Memorandum and the Articles, and other key provisions, are set out as follows.

7.3.1.1 *Rights of Shareholders*

The Articles provide that each Share confers upon the Shareholder:

(a) the right to one vote on a show of hands and on a poll to one vote for every share of which he is the holder at a meeting of the Shareholders.

(b) the right to receive dividends according to the amounts paid up (otherwise than in advance of calls) on the shares on which the dividend is paid by the Company; and

the right in the distribution of the surplus assets of the Company on its liquidation to a share in proportion to the amount to which, at the commencement of the winding, the shares held by him are paid up.

7.3.1.2 *Variation of rights*

Subject to the provisions of the Companies Act, if at any time the share capital of the Company is divided into shares of different classes any of the rights for the time being attached to any share or class of shares in the Company may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated in such manner (if any) as may be provided by such rights or, in the absence of any such provision, either with the consent in writing of the holders of not less than three quarters of the issued shares of the class or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of the class duly convened and held as provided in the Articles. The foregoing provisions of this paragraph shall apply also to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the separate rights of which are to be varied.

7.3.1.3 *Transfers of shares*

Each member may transfer all or any of his shares in the case of certificated shares by instrument of transfer in writing in any usual form or in any form approved by the Board or in the case of uncertificated shares without a written instrument in accordance with the Uncertificated Regulations. Any written instrument shall be executed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid up) by or on behalf of the transferee. The transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect of it.

7.3.1.4 The Directors may also, in their absolute discretion, refuse to register any transfer of a certificated share unless the following conditions are satisfied:

(a) it is in respect of only one class of shares;

(b) it is in favour of a single transferee or not more than four joint transferees;

(c) it is duly stamped (if so required); and

(d) it is delivered for registration to the registered office of the Company or such other place as the Directors may decide, accompanied by the certificate for the shares to which it relates (except in the case of a person to whom the Company is not required by sections 769, 776, 777 or 778 of the Companies Act to issue a certificate, or in the case of a renunciation) and such other evidence as the Directors may reasonably require to prove the title of the transferor or person renouncing and the due execution by him of the transfer or renunciation or, if the transfer or renunciation is executed by some other person on his behalf, the authority of that person to do so,

provided that if the Directors refuse to register the transfer, the instrument of transfer must be returned to the transferee as soon as practicable and in any event within 2 months, with the notice of refusal and reasons for refusal unless they suspect that the proposed transfer may be fraudulent. The Board will not exercise such discretion if it would conflict with the Listing Rules.

Purchase and Redemption of shares
Shares may be purchased, redeemed or otherwise acquired for any consideration provided that such redemption or acquisition does not contravene the requirements of the Companies Act.

7.3.1.5 *Payment of dividends*

Subject to the provisions of the Companies Act and the Articles, the Company may, by ordinary resolution declare that dividends out of the Company's profits may be paid to members according to their respective rights and interests in the profits of the Company. However, no dividend shall exceed the amount recommended by the Board.

The Board may declare and pay such interim dividends (including any dividend payable at a fixed rate) as appear to the Directors that the profits available for distribution justify the payment. If the Company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears. If the Directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

All dividends, interest or other sum payable and unclaimed after having been declared and become payable may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends unclaimed for a period of twelve years after having become due for payment shall (if the Board so resolves) be forfeited and shall revert to the Company.

Unless otherwise provided by the rights attached to the share no dividend or other moneys payable by the Company or in respect of a share shall bear interest as against the Company.

7.3.1.6 *Return of capital*

Under the Articles, on a voluntary winding up of the Company the liquidator may, on obtaining any sanction required by law, divide among the members in kind the whole or any part of the assets of the Company, whether or not the assets consist of property of one kind or of different lands; and vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he, with the like sanction, shall determine.

7.3.1.7 *Borrowing powers*

The business and affairs of the Company may be managed by, or under the direction or supervision of the Board. The Board has all the powers necessary for managing and for directing and supervising, the business and affairs of the Company. Subject to the Articles and to the provisions of the Companies Act, the Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, and all or any part of its property and uncalled capital, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

Directors

(a) Unless and until otherwise determined by the Company by ordinary resolution the number of Directors (other than any alternate Directors) shall be not less than two and there shall be no more than 15 Directors.

(b) At every annual general meeting at least one third of the Directors who are subject to retirement by rotation, provided that if there is only one Director who is subject to retirement by rotation, he shall retire.

(c) Without prejudice to the power of the Company to appoint any person to be a Director pursuant to the Articles the Board shall have power at any time to appoint any person who is willing to act as a Director, either to fill a vacancy or as an addition to the existing Board, but the total number of Directors shall not exceed any maximum number fixed in accordance with the Articles. Any Director so appointed shall hold office only until the annual general meeting of the Company next following such appointment and shall then be eligible for re-election but shall not be taken into account in determining the number of Directors who are to retire by rotation at that meeting. If not re-appointed at such annual general meeting, he shall vacate office at the conclusion thereof.

(d) The Company may by resolution remove any Director before the expiration of his period of office notwithstanding anything in the Articles or in any agreement between the Company and such Director and, without prejudice to any claim for damages which he may have for breach of any contract of service between him and the Company, may (subject to the Articles) by resolution appoint another person who is willing to act to be a Director in his place.

(e) No shareholding qualification is required by a Director.

(f) The Directors may by resolution of Directors appoint officers of the Company at such times as may be considered necessary or expedient.

7.3.1.8 *Meetings of Shareholders*

Subject to the Companies Act, the Company must hold an annual general meeting in each period of six months beginning with the day following its accounting reference date (in addition to any other general meeting held in that period). Any annual general meeting so convened shall be held at such a time and place as the Board may determine

The Directors may call a general meeting whenever they think fit. At any meeting so convened (or any meeting requisitioned pursuant to section 303 of the Companies Act) no business shall be transacted except that proposed by the Board or stated by the requisition.

If there are not sufficient members of the Board to convene a general meeting, any Director or any member of the Company may call a general meeting.

Any annual general meeting shall be convened by not less than twenty-one clear days' notice in writing. Other general meetings shall be convened by not less than fourteen clear days' notice in writing. Notwithstanding that a meeting is convened by a shorter notice than that specified in the Articles, it shall be deemed to have been properly convened if it is so agreed by all members entitled to attend and vote in the meeting.

No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending the meeting do not constitute a quorum. If the Company has only one member entitled to attend and vote at the general meeting, one qualifying person present at the meeting and entitled to vote is a quorum; provided that in all cases two qualifying persons present at the meeting and entitled to vote are a quorum.

If a general meeting was requisitioned by members and the persons attending the meeting within 30 minutes of the time at which the meeting was due to start (or such longer time as the chairman of the meeting decides to wait) do not constitute a quorum, or if during the meeting a quorum ceases to be present, the meeting is dissolved. In the case of a general meeting other than one requisitioned by members, if the persons attending the meeting within 30 minutes of the time at which the meeting was due to start (or such longer time as the chairman of the meeting decides to wait) do not constitute a quorum, or if during the meeting a quorum ceases to be present, the chairman of the meeting must adjourn it. The continuation of a general meeting adjourned for lack of quorum it to take place either: on a day that is not less than 14 days but not more than 28 days after it was adjourned and at a time and/or place specified for the purpose in the notice calling the meeting; or where no such arrangements have been specified, on a day that is not less than 14 days but not more than 28 days after it was adjourned and at such time and/or place as the chairman of the meeting decides (or, in default, the Directors decide). At an adjourned meeting the quorum is one qualifying person present and entitled to vote. If a quorum is not present within five minutes from the time fixed for the start of the meeting, the adjourned meeting is dissolved.

7.3.1.9 *Pre-emption rights of Shareholders*

Shareholders have pre-emption rights as set out in the Companies Act, subject to any additional authority given by special resolution. The pre-emption provisions shall not apply to the allotment of any shares for a consideration other than cash or in connection with an employees' share scheme, and, accordingly, the Directors may allot or otherwise dispose of any unissued shares in the capital of the Company for a consideration other than cash to such persons at such times and generally on such terms as they may think fit.

A reference in the foregoing paragraphs to the allotment of any shares includes the grant of a right to subscribe for, or to convert any securities into, shares but such reference does not include the allotment of any relevant shares pursuant to such a right

7.3.1.10 *Management*

Subject to the provisions of the Companies Act, the Memorandum and the Articles and to any directions given by special resolution of the Company, the business of the Company shall be managed by the Board, which may exercise all the powers of the Company whether relating to the management of the business or not. No alteration of the Memorandum or the Articles and no such direction given by the Company shall invalidate any prior act of the Board which would have been valid if such alteration had not been made or such direction had not been given. Provisions contained in the Articles as to any specific power of the Board shall not be deemed to limit the general powers given by the Articles

7.3.1.11 *Accounting and auditing requirements*

Under the Articles, the Directors must ensure that accounting records are kept in accordance with the Companies Act. The accounting records shall be kept at the registered office of the Company or, subject to the Companies Act, at another place decided by the

Directors and shall be available during business hours for the inspection of the Directors and other officers. No member (other than a Director or other officer) has the right to inspect an accounting record or other document except if that right is conferred by the Companies Act or he is authorised by the Directors or by an ordinary resolution of the Company.

The Directors may determine that persons entitled to receive a copy of the Company's annual accounts, the directors' report, the strategic report, the directors' remuneration report, the auditors' report on those accounts and on the auditable part of the directors' remuneration report are those persons entered on the register at the close of business on a day determined by the Directors; provided that, if the Company is a participating issuer, the day determined by the Directors may not be more than 21 days before the day that the relevant copies are being sent.

A printed copy of the Directors' and auditors' reports accompanied by printed copies of the annual accounts (including every document required by law or regulations applicable to the Company to be comprised in them or annexed or attached to them) shall not less than twenty-one clear days before the meeting before which they are to be laid, be delivered, sent by post or sent by Electronic Communication to every member who is entitled to receive notices from the Company and holder of debentures of the Company and to the auditors and to every other person who is entitled to receive notice of general meetings.

7.3.1.12 *Winding up*

The Board shall have power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up.

Under the Articles, on a voluntary winding up of the Company the liquidator may, on obtaining any sanction required by law, divide among the members in kind the whole or any part of the assets of the Company, whether or not the assets consist of property of one kind or of different lands; and vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he, with the like sanction, shall determine.

If the Company is wound up the liquidator may, set the value he deems fair on a class or classes of property; and determine on the basis of that valuation and in accordance with the then existing rights of members how the division is to be earned out between members or classes of members. The liquidator may not, however, distribute to a member without his consent an asset to which there is attached a liability or potential liability for the owner

7.3.1.13 *Disclosure of Interests in shares*

The provisions of Chapter 5 of the Disclosure and Transparency Rules and section 793 of the Companies Act apply to the disclosure of interests in shares.

Chapter 5 details the circumstances in which a person may be obliged to notify the Company that he has an interest in voting rights in respect of shares (a "**notifiable interest**"). An obligation to notify the Company arises: (a) when a person becomes or ceases to be interested (by way of a direct or indirect holding of shares or of certain "Qualifying Financial Instruments" (as defined in the Disclosure and Transparency Rules) or other instruments creating a long position on the economic performance of the shares) in three per cent. or more of the voting rights attaching to the shares; and (b) where such person's interests alters by a complete integer of one per cent. of the voting rights attaching to the shares.

The Companies Act permits the Company to serve a notice on any person where the Company has reasonable cause to believe such person is interested in the shares or has been interested in the shares at any time during the three years immediately preceding the date on which the notice is issued. Such notice may require the person to confirm or deny that he has or was interested in the shares and, if holds, or has during that time held, any such interest to give such further information as may be required in accordance with the Articles. Where such Shareholder fails to comply with the terms of the notice within the period specified in such notice the Shareholder will be in default (such Shareholder's shares being referred to as "**Default Shares**"). The Board may direct that voting rights and dividend rights be suspended in respect of Default Shares.

Under the Disclosure and Transparency Rules, a person must notify the Company of the percentage of its voting rights if, at any time after the date on which the Articles came into force the percentage of voting rights which he holds as shareholder or through his direct or indirect holding of financial instruments (or a combination of such holdings):

(a) reaches, exceeds or falls below 3 per cent., 4 per cent., 5 per cent., 6 per cent., 7 per cent., 8 per cent., 9 per cent., 10 per cent. and each 1 per cent. threshold thereafter up to 100 per cent.; or

(b) reaches, exceeds or falls below an applicable threshold in (a) as a result of events changing the breakdown of voting rights and on the basis of information disclosed by the Company in accordance with the Articles.

A person shall not be required to aggregate his holdings in the circumstances prescribed in rule 5.4 of the Disclosure and Transparency Rules.

The Company must at the end of each calendar month during which an increase or decrease has occurred, notify to a Regulatory Information Service for distribution to the public the total number of voting rights and capital in respect of each class of share which it issues.

An obligation to give a notice to the Company in relation to notifying of the change in his percentage of voting rights shall be fulfilled as soon as possible and in any event before the end of the second working day after the relevant person learns the relevant threshold was reached or crossed.

In addition, under the Articles, and in accordance with the process set out under the Articles, where notice is served by the Company under section 793 of the Act (a **"section 793 notice"**) on a member, or another person appearing to be interested in shares held by that member, and the member or other person has failed in relation to any shares (the **"default shares"**, which expression includes any shares allotted or issued after the date of the section 793 notice in respect of those shares) to give the Company the information required within the prescribed period from the date of service of the section 793 notice, the following sanctions apply, unless the Directors otherwise decide:

(1) the member shall not be entitled in respect of the default shares to be present or to vote (either in person, by proxy or by corporate representative) at a general meeting or at a separate meeting of the holders of a class of shares or on a poll; and

(2) where the default shares represent at least 0.25 per cent. in nominal value of the issued shares of their class (excluding any share of their class held as treasury shares):

    (a) a dividend (or any part of a dividend) or other amount payable in respect of the default shares shall be withheld by the Company, which has no obligation to pay interest on it, and the member shall not be entitled to elect, under article 106, to receive shares instead of a dividend, and

    (b) no transfer of any certificated default shares shall be registered unless the transfer is an excepted transfer; or

        (I) the member is not himself in default in supplying the information required; and

        (II) the member proves to the satisfaction of the Directors that no person in default in supplying the information required is interested in any of the shares the subject of the transfer.

7.4 Dividends and distributions

Subject to the provisions of the Companies Act, the Company's memorandum and articles of association, Directors may declare dividends in money, shares or other property provided they determine the company will pass the solvency test (i.e. the value of the company's assets will exceed its liabilities and it will be able to meet its debts as they fall due).

8 CITY CODE ON TAKEOVERS AND MERGERS

The City Code will apply to the Company following Admission.

The City Code is issued and administered by the Takeover Panel. The Takeover Panel has been designated as the supervisory authority to carry out certain regulatory functions in relation to takeovers pursuant to the Directive on Takeover Bids (2004/25/EC) (the "Directive"). Following the implementation of the Directive by the Takeovers Directive (Interim Implementation) Regulations 2006, the rules in the City Code which are derived from the Directive now have a statutory basis.

The City Code applies to all takeovers and merger transactions, however effected, where *inter alia*, the offeree company is a public company which has its registered office in the United Kingdom, the Isle of Man or the Channel Islands, if the company has its securities admitted to trading on a regulated market in the United Kingdom or on any stock exchange in the Channel Islands or the Isle of Man. The City Code will therefore apply to the Company from Admission and its Shareholders will be entitled to the protection afforded by the City Code.

Under Rule 9 of the City Code, where: (i) any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares in which persons in which he is already interested and in which persons acting in concert with him are interested) carry 30 per cent. or more of the voting rights of a company subject to the City Code; or (ii) any person who, together with persons acting in concert with him, is interested in shares which in the aggregate carry not less than 30 per cent. but not more than 50 per cent. of the voting rights of such a company, if such person, or any person acting in concert with him, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which he is interested, then, except with the consent of the Takeover Panel, he, and any person acting in concert with him, must make a general offer in cash to the holders of any class of equity share capital, whether voting or non-voting, and also to the holders of any other class of transferable securities carrying voting rights to acquire the balance of the shares not held by him and his concert party.

Save where the Takeover Panel permits otherwise, an offer under Rule 9 of the City Code must be in cash and at the highest price paid within the 12 months prior to the announcement of the offer for any shares in the company by the person required to make the offer or any person acting in concert with him. Offers for different classes of equity share capital must be comparable; the Takeover Panel should be consulted in advance in such cases.

9 WORKING CAPITAL

The Company is of the opinion that the working capital available to the Enlarged Group is for at least the next 12 months from the date of this Document sufficient for its present requirements (the "**Working Capital Period**").

10 FURTHER DISCLOSURES ON DIRECTORS AND KEY MANAGEMENT

10.1 The Directors have or have held the following directorships or have been partners in the following partnerships within the five years prior to the date of this Document, other than the Company:

Director/Key Management	*Current directorships and partnerships*	*Previous directorships and partnerships*
Cameron Pearce	Polish Coal Resources Limited JLP Nominees Pty Ltd Waitaki Pty Ltd	CEB Resources plc Black Gibb Pty Ltd Pangaea Energy Limited Forum Energy Limited Kabuni Limited Mantle Diamonds Limited Glenwick plc Stallion Resources plc Emmerson plc
Sam Quinn	Savannah Minerals Limited Tectonic Gold plc Lionshead Consultants Limited Red Rock Resources plc Nutrimentum (UK) Limited Ceylon Phosphates (UK) Limited Parq Capital Management (UK) Limited Ceyphos Fertilisers (Private) Limited	Glenwick plc Dragon Diamond Ventures Limited Foriet Oy Marula Gold Mines (Pty) Ltd BMR Resources Bulgaria EAD BMR Resources Poland Sp Zoo Dragon Resource Ventures Limited Balkan Mineral Resources Limited Silvertree Partners LLP Direct Excellence Limited Emmerson plc Diamond Manufacturing Corporation Maseru (Pty) Ltd Pacific Petroleum Holdings plc Trident Resources plc
Alex Passmore	Aspire Mining Ltd Cockatoo Iron NL Archipelago Iron Pty Ltd Pearl Gull Pty Ltd Silver Gull Iron Pty Ltd Horizon Advisors Pty Ltd Verde Trading Pty Ltd Venus Corporation Pty Ltd Neptuen Corporation Pty Ltd	Equator Resources Ltd
Mike Ralston	Trigg Mining Limited Goldsuite Pty Ltd NorthWest Cobalt Pty Ltd	Balamara Resources Pty Ltd
Iain Wearing	None	None

10.2 At the date of this Document no Director or Key Management:

(a) has had any convictions in relation to fraudulent offences within the previous five years prior to the date of this Document;

(b) has been declared bankrupt or has been a director of a company or been a member of an administrative, management or supervisory body or a senior manager of a company within the previous five years prior to the date of this Document which has entered into any bankruptcy, receivership or liquidation proceedings;

(c) has been the subject of any official public incrimination and/or sanction by any statutory or regulatory authority (including any designated professional body) within the previous five years prior to the date of this Document;

(d) has been disqualified by a court from acting as a director of any company or as a member of the administrative, management or supervisory bodies of any company or from acting in the management or conduct of the affairs of any company within the previous five years prior to the date of this Document;

(e) has any family relationship with any of the other Directors;

(f) has had any interest, direct or indirect, in any assets which have been or are proposed to be acquired or disposed of by or to the Company, or any such interest in any contract or arrangement subsisting at the date of this Document and which is significant to the business of the Company; and

(g) has any potential conflict of interest between his duties to the Company and his private interests or other duties.

11 DIRECTORS' AND KEY MANAGEMENT'S TERMS OF EMPLOYMENT OR SERVICE

Directors and Key Management

11.1 Cameron Pearce – Letter of Appointment

The Company and Mr. Pearce have entered into a letter of appointment, effective from Admission dated 27 February 2020 pursuant to which Mr Pearce is engaged as an Executive Director and Chairman of the Company with fees of £96,000 per annum. The appointment is for a term of 24 months from Admission and thereafter can be terminated by the Company on six months written notice or by Mr Pearce on three months written notice. If there is a change of control (as defined in the letter of appointment), Mr Pearce will be entitled to 100 per cent. of his annual fee as a lump sum payment if the Company terminates his appointment, or if Mr Pearce chooses to terminate his appointment within 12 months following a change of control.

11.2 Sam Quinn – Letter of Appointment

The Company and Mr. Quinn have entered into a letter of appointment, effective from Admission dated 27 February 2020 pursuant to which Mr Quinn is engaged as a Non-Executive Director with fees of £24,000 per annum. The appointment is for a term of 24 months from Admission and thereafter can be terminated by the Company on six months written notice or by Mr Quinn on three months written notice. If there is a change of control (as defined in the letter of appointment), Mr Quinn will be entitled to 100 per cent. of his annual fee as a lump sum payment if the Company terminates his appointment, or if Mr Quinn chooses to terminate his appointment within 12 months following a change of control.

11.3 Alex Passmore – Letter of Appointment

The Company and Mr. Passmore have entered into a letter of appointment, effective from Admission dated 27 February 2020 pursuant to which Mr Passmore is engaged as a Non-Executive Director with fees of £24,000 per annum. The appointment is for a term of 24 months from Admission and thereafter can be terminated by the Company on six months written notice or by Mr Passmore on three months written notice. If there is a change of control (as defined in the letter of appointment), Mr Passmore will be entitled to 100 per cent. of his annual fee as a lump sum payment if the Company terminates his appointment, or if Mr Passmore chooses to terminate his appointment within 12 months following a change of control.

11.4 **Mike Ralston – Employment Agreement**

The Company and Mr Ralston have entered into an employment contract, effective from Admission, dated 27 February 2020 pursuant to which Mr Ralston is appointed to serve as Chief Executive Officer to oversee all administrative, financial and operational activities of the Company. The employment is subject to a six month probationary period, following which the employment may be terminated on either party giving six months' notice of termination. The Company may terminate the employment for cause at any time. Mr Ralston will be paid a salary of £96,000. The agreement provides for restrictive covenants on termination.

11.5 **Iain Wearing – Employment Agreement**

The Company and Mr Wearing have entered into an employment contract, effective from Admission, dated 27 February 2020 pursuant to which Mr Wearing is appointed to serve as Chief Operating Officer to oversee all technical and operational activities of the Company. The employment is subject to a six month probationary period, following which the employment may be terminated on either party giving six months' notice of termination. The Company may terminate the employment for cause at any time. Mr Wearing will be paid a salary of £120,000 p.a. The agreement provides for restrictive covenants on termination.

12 PENSION ARRANGEMENTS

12.1 There are no existing arrangements or proposals existing in connection with the Admission whereby any member of the administrative, management or supervisory bodies of the Company or any other person which provide for benefits upon termination of employment or in connection with retirement from office with the Company or any of its subsidiaries.

13 EMPLOYEES AND PREMISES

13.1 In addition to the Directors set out at paragraph 1 of Part XI of this Document the Group will only have two employees as at Admission being Mike Ralston and Iain Wearing.

13.2 As at the date of this Document, the Company has no premises.

14 SUBSIDIARIES

14.1 Following Admission the Company will be the ultimate holding company of the following subsidiary:

Name	*Country of Incorporation and Company Number*	*Date of Incorporation*	*Issued/ Stated Share Capital*	*% Owned by the Group*	*Statutory Managers*	*Activity*
Consolidated African Resources (Uganda) Ltd	Uganda Reg No. 133327	6 July 2011	1,000	100*		Local Project company

*1 share to be held by a nominee of the Company.

15 DILUTION OF SHARE CAPITAL

15.1 The issue of the Placing Shares, Subscription Shares, Acquisition Shares and the Option Shares will constitute 67.80 per cent. of the Enlarged Share Capital and the interests of Existing Shareholders will be diluted accordingly.

15.2 The Directors are authorised to issue Shares pursuant to the grant of the Warrants as set out in paragraphs 3.9 – 3.11 of this Part XI. In addition, the Company may issue Shares pursuant to the Share Option Scheme constituting in aggregate up to 10 per cent. of the issued Shares from time to time. Subject to Admission, the Warrants outstanding on Admission entitle holders to subscribe for a total of 32,375,001 Shares representing 24.77 per cent. of the fully diluted Issued Shares of the Company upon Admission, assuming full exercise of such Warrants.

16 RELATED PARTY TRANSACTIONS

Since the incorporation of the Company on 18 September 2015, the Company has not completed any related party transactions of a kind set out in the Standards adopted according to Regulation (EC) No 1606/2002.

17 SOURCES OF CASH, LIQUIDITY AND CASH USES

17.1 The Group's ability to finance its strategy in the 12 months following Admission and to meet the Group's obligations as they become due will be fulfilled by cash currently held by the Company and the Net Proceeds. It will use such cash primarily to provide working capital to the Group to enable it to execute its strategy as described under paragraph 7 of Part II of this Document. As at the date of this Document, the Group had cash resources of £8,249.39.

18 SIGNIFICANT CHANGE

18.1 The Company

Since 30 September 2019 (being the date to which the Company's audited historical financial information for the year ended 30 September 2019 incorporated by reference in Part VII (A) "*Historical Financial Information of the Company*" has been prepared), save for expenditure in the ordinary course of the Company's business of £116,711 (which has caused a significant change in the financial position of the Company), there has been no significant change in either the financial performance or the financial position of the Company to the date of this Document.

18.2 Consolidated African (Uganda)

Since 30 June 2019 (being the date as at which the Consolidated African (Uganda) Interim Financial Information contained in Part VII (D) *"Interim Financial Information of Consolidated African (Uganda)"* has been prepared, there has been no significant change in either the financial performance or the financial position of Consolidated African (Uganda), to the date of this Document.

19 CREST

19.1 The Shares to be issued in connection with the repayment and settlement of the Placing and Subscription, will be in registered form and may be held in either certificated form or uncertificated form, except as otherwise described herein. CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by certificates and transferred otherwise than by written instrument. The Articles permit the holding of Shares in CREST. Accordingly, settlement of transactions in the Shares following Admission may take place within CREST if any Shareholder so wishes. However, CREST is a voluntary system and Shareholders who wish to receive and retain share certificates are able to do so. The records in respect of Shares held in uncertificated form will be maintained by Euroclear and the Company's Transfer Agents, Share Registrars Limited.

20 MATERIAL CONTRACTS

The following material contracts are those contracts which have been entered into by the Company: (a) in the two years immediately preceding the date of this Document (other than in the ordinary course of business); and (b) which contain any provision under which the Company has any obligation or entitlement which is material to the Company as at the date of this Document (other than those entered into in the ordinary course of business):

20.1 Placing Agreement

The Company entered into a placing agreement with Brandon Hill on 24 March 2020, pursuant to which Brandon Hill has agreed (conditional on Admission taking place no later than 29 May 2020), as agent for the Company, to use their reasonable endeavours to place the Placing Shares at the Placing Price with the subscribers selected by them. Under the Placing Agreement and subject to it becoming unconditional:

(a) the Company will pay to Brandon Hill the commission and issue the Broker Warrants referred to in the Broker Agreement;

(b) the Company will pay certain other costs and expenses (including any applicable VAT) of, or incidental to, the Placing including all fees and expenses payable in connection with Admission, expenses of the registrars, printing and advertising expenses, postage and all other legal, accounting and other professional fees and expenses; and

(c) the Placing Agreement contains warranties and indemnities given by the Company to Brandon Hill as to the accuracy of the information contained in this Document and other matters relating to the Company and its business.

Brandon Hill is entitled to terminate the Placing Agreement in certain specified circumstances prior to Admission.

20.2 **Subscription Letter**

Apul Investment Limited (the "**Subscriber**") and the Company entered into a subscription letter agreement dated 30 August 2019 pursuant to which the Subscriber has subscribed for 8,333,333 Shares at the Placing Price. The Subscriber gives certain warranties to the Company in respect of its ability to enter into the Subscription. The Company undertakes to issue warrants pursuant to the Warrants to be issued at Admission (see paragraph 20.8 below).

20.3 **CAR and New Energy lock-in agreements**

Pursuant to the terms of the lock-in and orderly marketing agreements, with Consolidated Africa dated 24 March 2020 and New Energy dated 24 March 2020, the Company and Brandon Hill have agreed the following lock-in restrictions and orderly market arrangements:

(a) Consolidated Africa have, in respect of the Acquisition Shares held by them (directly or indirectly) on Admission, agreed that they shall not, for a period of 12 months from Admission, dispose of such Shares, and for a further 12 months thereafter agreed to only dispose of such Shares after the Company's Broker has been given an exclusive opportunity to place such shares (on specified minimum pricing terms);

(b) New Energy have, in respect of the Option Shares to be held by them (directly or indirectly) on Admission, agreed that they shall not, for a period of 12 months from Admission, dispose of such Shares, and for a further 12 months thereafter agreed to only dispose of such Shares after the Company's Broker has been given an exclusive opportunity to place such shares (on specified minimum pricing terms);

provided that, with the consent, of Brandon Hill and the Company, Consolidated Africa and/or New Energy may transfer all or any part of its Shares to a nominee, subject to such nominee entering into a lock in and orderly marketing agreement for the balance of the 12-month period(s) in a substantially similar form as the current lock in and orderly marketing agreements.

20.4 **Director and Key Management lock-in agreements**

Pursuant to the terms of the lock-in and orderly marketing agreements, with the Company and Brandon Hill, each Director, Mike Ralston and Iain Wearing have agreed to the following lock-in restrictions and orderly market arrangements:

(a) in respect of the Shares held by them (directly or indirectly) on Admission, agreed that they shall not, for a period of 12 months from Admission, dispose of such Shares, and

(b) for a further 12 months thereafter agreed to only dispose of such Shares after the Company's Broker has been given an exclusive opportunity to place such shares (on specified minimum pricing terms);

In aggregate, under the lock-in agreements referred to in paragraphs 20.3 and 20.4 of this Part XI, above, a total of 46,833,333 Shares representing approximately 47.63 per cent. of the Enlarged Issued Share Capital will be subject to a minimum of 12 months of restrictions on sales/disposals (including by way of orderly market obligations) following Admission.

20.5 **Broker Agreement**

On 1 May 2019, the Company entered into an engagement letter with Brandon Hill pursuant to which Brandon Hill agreed to act as broker to the Company in connection with any fundraising, including the Placing (the "**Broker Agreement**"). In consideration for this service, the Company will pay the following fees to Brandon Hill:

(a) a retainer of £25,000 per annum, payable quarterly in advance;

(b) a commission of 5 per cent. of the gross proceeds of the total funds raised by Brandon Hill, payable in cash on completion; and

(c) the grant of broker warrants, exercisable at the Placing Price of 5 per cent. of the total number of Placing Shares, exercisable for a term of 3 years from Admission.

20.6 **Warrants – 27 June 2018**

A deed of warrant grant dated 27 June 2018 has been created by the Company pursuant to which warrants were granted to certain shareholders that subscribed for Shares prior to the initial public offering of the Company. Each such shareholder was granted a Warrant to subscribe for 1 Share, for each 2 Shares held by such shareholder. Each Warrant is exercisable at 4p per Share at any time from the date of Admission for four years. Details of the holders of the Warrants are set out in Part XI, paragraph 3.9.

20.7 **Warrants – 31 August 2018**

A deed of warrant grant dated 31 August 2018 has been created by the Company pursuant to which warrants were granted to each shareholder that subscribed for Shares in the initial public offering of the Company. Each such shareholder was granted a Warrant to subscribe for 1 Share, for each 2 Shares held by such shareholder. Each Warrant is exercisable at 6p per Share at any time from the date of Admission for three years. Details of the holders of the Warrants are set out in Part XI, paragraph 3.9.

20.8 **Placee and Subscriber Warrants – to be issued on Admission**

A deed of warrant grant dated 24 March 2020 has been created by the Company pursuant to which warrants will be granted to each Placee and Subscriber to Brandon Hill in accordance with the terms of the Broker Agreement. Each Placee and Subscriber will be granted a Warrant to subscribe for 1 Share, for each 2 Shares held by such shareholder. Each Warrant is exercisable at 8p per Share at any time from the date of Admission for five years.

20.9 **Broker Warrants – to be issued on Admission**

A deed of warrant grant dated 24 March 2020 has been created by the Company pursuant to which warrants will be granted to Brandon Hill in accordance with the terms of the Broker Agreement. Brandon Hill will be granted warrants over 1,250,000 Shares exercisable at 6p per Share at any time from the date of Admission for three years.

20.10 **Administrative and Secretarial Agreement**

On 12 January 2018 the Company entered into an administration and secretarial agreement ("**Administration Agreement**") with FIM Capital Limited ("**FIM**") pursuant to which FIM provides company secretarial and administrative services to the Company. The services include maintenance of the statutory books, filing any annual return, the maintenance of accounting records and the performance of all functions as are usually performed by administrators of public companies. As consideration for the performance of the services, FIM charges an annual fee of £15,000 plus expenses. The Administration Agreement can only be terminated for cause during the first 2 years, and thereafter can be terminated by either party on giving 3 months' notice of termination.

20.11 **Registrar Agreement**

A registrars agreement dated 14 August 2018 was entered into by the Company and the Registrar ("**Registrar Agreement**"), pursuant to which the Registrar agrees to its appointment as the registrar to the Company for the purpose of providing share registration duties including any duties required under the Companies Act and the London Stock Exchange. The term of the agreement is a minimum of 12 months with a minimum 6-month notice period thereafter. The fees are determined by reference to the number of Shareholders and the activities undertaken.

20.12 **Lionshead Consultants Limited Consulting Agreement**

The Company and Lionshead Consultants Limited ("**Lionshead**"), a company controlled by Sam Quinn, have entered into a consulting agreement dated 27 February 2020 ("**Consulting Agreement**"). Lionshead will provide the services of Sam Quinn to provide corporate and business development services in London. Lionshead will be paid £2,000 per month for the provision of the service. The Consulting Agreement can be terminated by either party on giving three months' notice, or on giving notice of termination for cause.

20.13 **Heads of Agreement**

On 13 May 2019 the Company, Consolidated Africa and New Energy entered into a heads of agreement pursuant to which there was a binding assignment of a term sheet entered into by Consolidated Africa and New Energy dated 4 September 2018 (the "**Term Sheet**"). The Term Sheet granted New Energy the acquire Consolidated African (Uganda) and/or its assets. The consideration for the assignment by New Energy of this acquisition right is the issue of the Option Shares on completion of the Acquisition under the Acquisition Agreement.

20.14 **Acquisition Agreement**

The Company, Consolidated Africa, New Energy and Philip Lindsay (as holder of one nominee share in the capital of Consolidated African (Uganda), have entered into a share purchase agreement dated 28 October 2019 as amended on 18 February 2020 ("**Acquisition Agreement**"). The consideration payable under the Acquisition Agreement is the payment of AUS$50,000 in cash to Consolidated Africa whether or not completion occurs, the issue at completion of the Acquisition Shares to Consolidated Africa (on its behalf and on behalf of Philip Lindsay as its nominee) and the issue at completion of the Option Shares to New Energy. Completion under the Acquisition Agreement is conditional on (i) a commitment by Placees to take a number of Placing Shares as determined by the Company; (ii) passing of the Resolutions at the Annual General Meeting; (iii) release of any security over any assets of Consolidated African (Uganda); and submission of an application for Admission of the Enlarged Share Capital. Consolidated Africa gives warranties in relation to Consolidated African (Uganda) and its assets and indemnifies the Company in respect of any tax liability arising prior to completion. Consolidated Africa and New Energy also agree to enter into the Lock-in Agreements.

21 GENERAL FINANCIAL MATTERS

21.1 Since the date of the Company's incorporation, the auditors of the Company have been Crowe U.K. LLP.

21.2 Save as disclosed in the unaudited pro forma statement of net assets of the Company in Part IX of this Document there are no effects on the assets and liabilities of the Company as a result of the Acquisition and Admission.

22 OTHER INFORMATION

22.1 There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened, of which the Company is aware), during the 12-month period prior to the date of this Document which may have, or have had in the recent past, significant effects on the Company's and/or the Group's financial position or profitability.

22.2 There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened, of which the Company is aware), during the 12-month period prior to the date of this Document which may have, or have had in the recent past, significant effects on Consolidated African (Uganda)'s financial position or profitability.

22.3 Other than as disclosed in this Document, there are no patents, licences or other intellectual property rights, industrial, commercial or financial contracts or new manufacturing processes which are or may be of material importance to the business or profitability of the Company.

22.4 Other than as disclosed in this Document, the Company has made no investments since their respective incorporation, has no investments in progress and there are no future investments on which the Directors have already made firm commitments which are or may be significant to the Company.

22.5 No exceptional factors have influenced the Company's activities.

22.6 The expenses of the Admission to the Official List, the Placing, Subscription and Acquisition are estimated at £247,000, including VAT and are payable by the Company, excluding amounts to be satisfied by the issue of new Shares (including in particular the Acquisition Shares and Option Shares). The estimated Net Proceeds, after deducting fees and expenses in connection with the Admission, Placing and Subscription are approximately £1,753,000.

22.7 Crowe U.K. LLP, whose business address is St. Bride's House, 10 Salisbury Square, London EC4Y 8EH, has given and not withdrawn its written consent to the inclusion, in this Document, of its accountant's' reports on the unaudited historical financial information on Consolidated African (Uganda) set out in Part VII(B) *"Accountant's Report on the Historical Financial Information of Consolidated African (Uganda)"* and of its accountant's report on the unaudited pro forma statement of net assets of the Enlarged Group set out in Part VIII(A) *"Accountant's Report on the Pro Forma Financial Information of the Group"* of this Document in the form and context in which they are included and has authorised the contents of these reports for the purposes of Rule 5.5.3R(2)(f) of the Prospectus Rules. In addition, Crowe has given and not withdrawn its written consent to the issue of this Document with the inclusion herein of the references to its name in the form and context in which they appear. Crowe U.K. LLP is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales and the Financial Reporting Council.

22.8 The Competent Person has given and not withdrawn its written consent to the inclusion, in this Document, of its Competent Person's Report set out in Part IV of this Document and has authorised the contents of this report for the purposes of Annex 1, item 1.3 of the Prospectus Rules. In addition, the Competent Person has given and not withdrawn its written consent to the issue of this Document with the inclusion herein of the references to its name.

22.9 The Directors are not aware of:

(a) any significant trends in the Company in costs between incorporation and the date of this Document; or

(b) except for the industry trends described in this Document, any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Group's prospects for at least the current financial year.

22.10 There have been no public takeover bids by third parties in respect of the Shares during the period from incorporation to the date of this Document.

22.11 There are currently no Shares in issue, and no Shares will be in issue on Admission, with a fixed date on which entitlement to a dividend arises and there are no arrangements in force whereby future dividends are waived or agreed to be waived.

22.12 The Placing Shares and Subscription Shares shall represent 33.90 per cent. of the Enlarged Share Capital and Voting Rights of the Company immediately following Admission. Following Admission, the issued Shares and Voting Rights of the existing Shareholders shall (assuming that they do not participate in the Placing or Subscription) represent 32.20 per cent. of the Enlarged Share Capital of the Company.

22.13 The Placing and Subscription was offered to investors on a non-pre-emptive basis and therefore the existing Shareholders did not have any entitlement to participate in the Placing or Subscription.

22.14 The net asset value of each of the existing Shares as at the date of the Company's last balance sheet was 0.799 pence.

22.15 Copies of the following documents will be available for inspection during normal office hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Company from the date of this Document:

(a) the Articles;

(b) the Company's Memorandum of Incorporation;

(c) the accountant's report on the Consolidated African (Uganda) Financial Information contained in Part Part VII(B) *"Accountant's Report on the Historical Financial Information of Consolidated African (Uganda)"* of this Document;

(d) the Consolidated African (Uganda) Financial Information contained in Part VII(C) *"Historical Financial Information of Consolidated African (Uganda)"* of this Document;

(e) the Consolidated African (Uganda) Interim Financial Information contained in Part VII(D) *"Interim Financial Information of Consolidated African (Uganda)"* of this Document;

(f) the accountant's report on the Pro Forma Financial Information contained in Part VIII(A) *"Accountant's Report on the Pro Forma Financial Information of the Group"* of this Document;

(g) the Pro Forma Financial Information contained in Part VIII(B) *"Accountant's Report on the Pro Forma Financial Information of the Group"* of this Document;

(h) the operating and financial review of the Company contained in Part IX(A) *"Operating and Financial Review of the Company"* of this Document;

(i) the operating and financial review of Consolidated African (Uganda) Financial Information in Part IX(B) *"Operating and Financial Review of Consolidated African (Uganda)"* of this Document;

(j) the letters of appointment of the Directors and the employment agreements of Mike Ralston and Iain Wearing referred to in paragraph 11 of Part XI of this Document;

(k) the material contracts referred to in paragraph 20 of Part XI of this Document;

(l) the letters of consent referred to in paragraphs 22.7 and 22.8 of Part XI of this Document; and

(m) this Document.

22.16 In addition, this Document will be published in electronic form and be available and free to download from the date of publication from the Company's website at:

www.blencoweresourcesplc.com.

PART XII

NOTICE TO INVESTORS

The distribution of this Document and the Placing may be restricted by law in certain jurisdictions and therefore persons into whose possession this Document comes should inform themselves about and observe any restrictions, including those set out below. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

1 GENERAL

No action has been or will be taken in any jurisdiction that would permit a public offering of the Shares, or possession or distribution of this Document or any other offering material in any country or jurisdiction where action for that purpose is required. Accordingly, the Shares may not be offered or sold, directly or indirectly, and neither this Document nor any other offering material or advertisement in connection with the Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This Document does not constitute an offer to subscribe for any of the Shares offered hereby to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction.

This Document has been approved by the FCA as a prospectus which may be used to offer securities to the public for the purposes of section 85 of the FSMA and of the Prospectus Directive. No arrangement has however been made with the competent authority in any other European Economic Area State (or any other jurisdiction) for the use of this Document as an approved prospectus in such jurisdiction and accordingly no public offer is to be made in such jurisdiction. Issue or circulation of this Document may be prohibited in countries other than those in relation to which notices are given below. This Document does not constitute an offer to sell, or the solicitation of an offer to subscribe for, or buy, shares in any jurisdiction in which such offer or solicitation is unlawful.

2. FOR THE ATTENTION OF EUROPEAN ECONOMIC AREA INVESTORS

In relation to each member state of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), an offer to the public of the Shares may only be made once the prospectus has been passported in such Relevant Member State in accordance with the Prospectus Directive as implemented by such Relevant Member State. For the other Relevant Member States an offer to the public in that Relevant Member State of any Shares may only be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) in such Relevant Member State; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Shares shall result in a requirement for the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression "**an offer to the public**" in relation to any offer of Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression "**Prospectus Directive**" includes any relevant implementing measure in each Relevant Member State.

During the period up to but excluding the date on which the Prospectus Directive is implemented in member states of the European Economic Area, this prospectus may not be used for, or in connection with, and does not constitute, any offer of Shares or an invitation to purchase or subscribe for any Shares in any member state of the European Economic Area in which such offer or invitation would be unlawful.

The distribution of this prospectus in other jurisdictions may be restricted by law and therefore persons into whose possession this prospectus comes should inform themselves about and observe any such restrictions.

3 FOR THE ATTENTION OF UK INVESTORS

This Document comprises a prospectus relating to the Company prepared in accordance with the Prospectus Rules and approved by the FCA under section 87A of FSMA. This Document has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Rules.

In the United Kingdom this Document is for distribution to, and is directed only at, legal entities which are qualified investors as defined under the Prospectus Directive and are (i) persons having professional experience in matters relating to investments who fall within the definition of investment professionals in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); or (ii) high net worth bodies corporate, unincorporated associations and partnerships and trustees of high value trusts as described in Article 49(2) of the Order; or (iii) persons to whom it may otherwise be lawfully distributed under the Order, (all such persons together being "Relevant Persons"). In the United Kingdom, any investment or investment activity to which this Document relates is only available to and will only be engaged in with Relevant Persons. Persons who are not Relevant Persons should not act or rely on this Document or any of its contents.

4 FOR THE ATTENTION OF AUSTRALIAN INVESTORS

This admission document is not a 'prospectus', 'product disclosure statement' or other 'disclosure document' for the purposes of the Australian Corporations Act and is not required to be lodged with ASIC or the ASX. Accordingly, a person may not (directly or indirectly) offer for subscription or purchase or issue invitations to subscribe for or buy or sell the Shares, or distribute this admission document where such offer, issue or distribution is received by a person in the Commonwealth of Australia, its territories or possessions, except if:

(a) the amount payable by the transferee in relation to the Shares is A$500,000 or more or if the offer or invitation to the transferee is otherwise an offer or invitation that does not require disclosure to investors in accordance with part 6D.2 or part 7.9 of the Corporations Act; or

(b) the offer or invitation does not constitute an offer to a 'retail client' under Chapter 7 of the Corporations Act.

DEFINITIONS

The following definitions apply throughout this Document, unless the context requires otherwise:

"**Acquisition**"	the acquisition from Consolidated Africa of the entire issued share capital of Consolidated African (Uganda), which is the holder of the Orom Graphite Project
"**Acquisition Shares**"	the 25,000,000 Shares to be issued to Consolidated Africa (or its nominee) as the part payment of the consideration pursuant to the Acquisition Agreement
"**Act**"	the Companies Act 2006 (as amended)
"**Admission**"	the admission of the Enlarged Share Capital to the Official List, by way of a Standard Listing, and to trading on the LSE's main market for listed securities
"**Annual General Meeting**"	means the first annual general meeting of Shareholders the notice of which is attached to this Document and is being called to propose the Resolutions
"**Articles**"	the articles of association of the Company for the time being
"**Board**" or "**Directors**"	the directors of the Company for the time being
"**Broker Agreement**"	the agreement between the Company and Brandon Hill dated 1 May 2019
"**Brandon Hill**" or "**Broker**"	Brandon Hill Capital Limited, a private limited company incorporated in England and Wales with number 4258441
"**City Code**"	the UK City Code on Takeovers and Mergers
"**Company**" or "**Blencowe**"	Blencowe Resources plc a company incorporated with limited liability in England and Wales under the Act on 18 September 2017, with number 10966847
"**Company Financial Information**"	the audited financial information of the Company for the period from incorporation on 18 September 2017 to 30 September 2018 and the year ended 30 September 2019, as set out in Part VII (A) *"Historical Financial Information of the Company"* of this Document
"**Connected Person(s)**"	connected persons (within the meaning of section 252 of the Act)
"**Costs**"	total expenses incurred (or to be incurred) by the Company in connection with the Placing, Subscription and Admission of the Company totalling approximately £247,000
"**CPR**"	the Competent Person's Report in Part V of this Document
"**Consolidated Africa**"	Consolidated Africa Limited, having its registered office located at Level 28, 1 Market Street, Sydney, NSW 2000, Australia
"**Consolidated African (Uganda)**"	Consolidated African Resources (Uganda) Ltd registered in the Republic of Uganda with registered office 10th Floor East Wing, Commercial Plaza, Plot 7 Kampala Road, P O Box 29117 Kampala, Uganda and registered number 133327

"**Consolidated African (Uganda) Financial Information**"	the audited historical financial information of Consolidated African (Uganda) for each of the three years ended 31 December 2018, as set out in Part VII(C) *"Historical Financial Information of Consolidated African (Uganda)"* and reported on in Part VII(B) *"Accountant's Report on the Historical Financial Information of Consolidated African (Uganda)"* of this Document
"**Consolidated African (Uganda) Interim Financial Information**"	the unaudited interim financial information of Consolidated African (Uganda) for the six-month period ended 30 June 2019, as set out in Part VII(D) *"Interim Financial Information of Consolidated African (Uganda)"* of this Document
"**CREST**"	the relevant system (as defined in the CREST Regulations) for paperless settlement of share transfers and holding shares in uncertificated form which is administered by Euroclear
"**CREST Regulations**"	the Uncertified Securities Regulations 2001 (SI 2001 No. 3755), as amended
"**Directors**"	the directors of Blencowe as at the date of this Document whose names are set out on page 27
"**Disclosure Guidance and Transparency Rules**" or "**DTR**"	the Disclosure Guidance and Transparency Rules made by the FCA pursuant to section 73A of the FSMA, as amended from time to time
"**Document**"	this prospectus
"**Enlarged Issued Share Capital**" or "**Enlarged Share Capital**"	the Existing Share Capital of the Company together with the Placing Share, Subscription Shares, Acquisition Shares and the Option Shares
"**equity securities**"	shares, or rights to subscribe for or to convert into shares
"**ESMA**"	The European Securities and Markets Authority
"**Euro**" or **€**	Euro, a unit of currency
"**Euroclear**"	Euroclear UK & Ireland Limited, a company incorporated under the laws of England and Wales
"**Existing Share Capital'** or "**Existing Shares**"	the 31,666,664 Shares in issue immediately preceding the completion of the Placing, the Subscription and the Acquisition
"**FCA**"	the UK Financial Conduct Authority
"**Form of Proxy**"	the form of proxy which is enclosed with this Document for use by existing Shareholders in connection with the Annual General Meeting
"**FSMA**"	the Financial Services and Markets Act 2000, as amended
"**Group**" or "**Enlarged Group**"	the Company and Consolidated African (Uganda)
"**HMRC**"	HM Revenue and Customs
"**IFRS**"	International Financial Reporting Standards as adopted by the European Union
"**Investor**"	means a person who purchases, considers the purchase or holds Shares in the Company

"**JORC 2012 Code**"	Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves
"**Listing Rules**"	the listing rules made by the FCA pursuant to section 73A of FSMA, as amended from time to time
"**Lock-In Agreement(s)**"	the agreements between the Company and Brandon Hill and each of Consolidated Africa, New Energy, each Director, Mike Ralston and Iain Wearing on Admission as further set out in paragraphs 20.3 and 20.4 of Part XI of this Document
"**London Stock Exchange**" or "**LSE**"	London Stock Exchange plc
"**Main Market**"	the main market of the London Stock Exchange for officially listed securities
"**Market Abuse Regulations**"	Regulation (EU) No 596 (2014 of the European Parliament and of the Council on market abuse)
"**Net Proceeds**"	the funds received in relation to the Placing and Subscription less Costs
"**New Energy**"	New Energy Minerals Africa Pty Ltd., having its registered office located at Suite 2, Level 1, 1 Altona Street, West Perth WA 6005, Australia
"**New Shares**"	together, the Placing Shares, the Subscription Shares, the Acquisition Shares and Option Shares
"**Notice**"	the notice of general meeting set out at the end of this Document
"**Official List**"	the Official List of the UK Listing Authority
"**Option Shares**"	the 8,333,333 Shares to be issued to New Energy as consideration for the assignment of the option to acquire Consolidated African (Uganda) and the Orom Graphite Project on completion of the Acquisition
"**Orom Graphite Project**"	has the meaning given to it in section 5 of Part 1
"**Placee**"	a party that agrees to subscribe for new Shares in the Placing
"**Placing**"	the proposed placing of 24,999,996 Shares by Brandon Hill on behalf of the Company at the Placing Price and on the terms and subject to the conditions set out in the Placing Agreement
"**Placing Agreement**"	the placing agreement between the Company and Brandon Hill dated 24 March 2020 relating to the Placing
"**Placing Price**"	£0.06 (6 pence)
"**Placing Shares**"	the 24,999,996 new Shares to be issued pursuant to the Placing
"**Premium Listing**"	a listing on the Premium Listing Segment of the Official List under Chapter 6 of the Listing Rules
"**Pro Forma Financial Information**"	the unaudited pro-forma statement of financial position and statement of comprehensive income of the Enlarged Group as at 30 September 2019 and the year then ended, as set out in Part VIII(B) of this Document

“**Project Licences**”	means the licences held by Consolidated African (Uganda) as described in the CPR
“**Prospectus Rules**”	the prospectus rules made by the FCA pursuant to section 73A of the FSMA, as amended from time to time
“**Prospectus Directive Regulation**”	the Prospectus Directive Certification (No 2004/809/EC)
“**QCA**”	the Quoted Companies Alliance
“**Registrar**”	Share Registrars Limited
“**Regulatory Information Service**”	a regulatory information service authorised by the UK Listing Authority to receive, process and disseminate regulatory information in respect of listed companies
“**Resolutions**”	the proposed Shareholder resolutions as set out in the notice of Annual General Meeting
“**Reverse Takeover**”	a transaction defined as reverse takeover under Listing Rule 5.6.4
“**Securities Act**”	the U.S. Securities Act of 1933, as amended
“**Share Option Scheme**”	an enterprise management incentive (EMI) and share option plan and unapproved share option plan to be proposed for approval by the Shareholders by the passing of the Resolutions at the Annual General Meeting
“**Shares**”	shares of 0.5 pence each in the Company
“**Shareholders**”	holders of Shares
“**Standard Listing**”	a Standard Listing under Chapter 14 of the Listing Rules on the Standard Segment of the Main Market of London Stock Exchange
“**Subscription**”	means the proposed subscription of Shares by Apul Investments Limited, by submitting the letter of subscription to the Company, conditional only on the Placing and Readmission
“**Subscription Shares**”	the 8,333,333 Shares to be issued pursuant to the Subscription
“**Takeover Panel**”	the UK Panel on Takeovers and Mergers
“**Transfer Agent**”	Share Registrars Limited
“**UK Listing Authority**” or “**UKLA**”	the FCA in its capacity as the competent authority for listing in the UK pursuant to Part VI of FSMA
“**UK Sterling**” or “**£**”	Pound Sterling, the lawful currency of the United Kingdom
“**uncertified**” or “**uncertified form**”	in relation to a share or other security, a share or other security, title to which is recorded in the relevant register of the share or other security concerned as being held in uncertificated form (that is, in CREST) and title to which may be transferred by using CREST
“**Uncertified Regulations**”	the Uncertificated Securities Regulations 2006 (as amended or replaced from time to time)
“**US Dollars**” or “**$**”	United States Dollars, the lawful currency of the United States
“**UXG**”	Ugandan Shillings

"**Voting Rights**"	all the voting rights attributable to the capital of a company which are currently exercisable at a general meeting
"**Warrants**"	the 32,375,001 Warrants granted to the Warrant holders to subscribe for Shares in the Company as more particularly described in paragraphs 3.9, 3.10, 20.6, 20.7, 20.8 and 20.9 of Part XI of this Document
"**Warrants Holders**"	the holders of Warrants to subscribe for Shares in the Company as more particularly described in paragraphs 3.9, 3.10, 20.6, 20.7, 20.8 and 20.9 of Part XI of this Document

GLOSSARY OF TECHNICAL TERMS

Aeromagnetic	An aeromagnetic survey is a common type of geophysical survey carried out using a magnetometer aboard or towed behind an aircraft. the magnetometer measures and records the total intensity of the magnetic field at the sensor, which is a combination of the desired magnetic field generated in the Earth as well as tiny variations due to the temporal effects of the constantly varying solar wind and the magnetic field of the survey aircraft. By subtracting the solar, regional, and aircraft effects, the resulting aeromagnetic map shows the spatial distribution and relative abundance of magnetic minerals (most commonly the iron oxide mineral magnetite) in the upper levels of the Earth's crust. Because different rock types differ in their content of magnetic minerals, the magnetic map allows a visualization of the geological structure of the upper crust in the subsurface, particularly the spatial geometry of bodies of rock and the presence of faults and folds.
amorphous graphite	A natural mineral. Contrary to the name, amorphous graphite is not truly amorphous, but is a microcrystalline form of natural graphite. It is granular except in extremely fine grinds, which have a flakey structure.
banded granulite and charnockite	Granulite and charnockite laid down in separate horizontal layers.
basic pyroxene granulite and pyroxene gneiss	Granulites and Gneiss metamorphic rocks containing rock-forming silicate minerals.
Charnockite	Any orthopyroxene-bearing quartz-feldspar rock, formed at high temperature and pressure.
crystalline graphite	A crystalline form of the element carbon with its atoms arranged in a hexagonal structure. It occurs naturally in this form and is the most stable form of carbon under standard conditions.
felsic graphic granulite	Granulites that are relatively rich in elements that form feldspar, quartz and graphite.
granulite or retro granulite facies	Granulites are a class of high-grade metamorphic rocks of the granulite facies that have experienced high-temperature and moderate-pressure metamorphism. They are medium to coarse–grained and mainly composed of feldspars sometimes associated with quartz and anhydrous ferromagnesian minerals.
lithologies	The lithology of a rock unit is a description of its physical characteristics visible at outcrop, in hand or core samples, or with low magnification microscopy. Physical characteristics include colour, texture, grain size, and composition. Lithology may refer to either a detailed description of these characteristics, or a summary of the gross physical character of a rock. Lithology is the basis of subdividing rock sequences into individual lithostratigraphic units for the purposes of mapping and correlation between areas.
Mafic-Granulite	A granulite with >30 per cent. mafic minerals. (Mafic is an adjective describing a silicate mineral or igneous rock that is rich in magnesium and iron) (Granulites are a class of high-grade metamorphic rocks of the granulite facies that have experienced high-temperature and moderate-pressure metamorphism.)

Neoarchaen Amuru Group	A geologic group of rock formations in the Northern Uganda region formed in the Archaean Eon. The Neoarchean spans the period from 2,800 to 2,500 million years ago.
Neoproterozoic Era	The unit of geologic time from 1,000 to 541 million years ago. Deformed – the rock has been shaped by the earth's movements during time.
Neoproterozoic Ogili Suite Granite and charnockite	Granite and charnockite formed in the Neoproterozoic Era from 1,000 to 541 million years ago.
Neoproterozoic West Karamoja Group	A geologic group of rock formations in the North Eastern Uganda region formed in the Neoproterozoic Era from 1,000 to 541 million years ago.
Ogili Suite	Series of rock formations and layers banded into a group covering a regional geological area.
Quaternary	Denoting the most recent period in the Cenozoic era, following the Tertiary period and comprising the Pleistocene and Holocene epochs.
Quaternary Sediments	Estuarine and river sands and gravels laid down by flood or wind over the last two million years, during the current Quaternary period.
ROM Sheet 17	Regional mapping sheet 17.
Schist	A foliated metamorphic rock made up of plate-shaped mineral grains that are large enough to see with an unaided eye, if the schist is metamorphosed further, it might become a granular rock known as gneiss. The plate-shaped mineral grains can be graphite, talc or hornblende, and the schist will be defined with the major mineral.
sinistral shearing	Horizontal movement (left-handed) of geological components in response to deformation by compressive stress.
TGC	The total organic carbon content is subtracted from the total carbon content to determine the total inorganic carbon content of a given sample.

NOTICE OF ANNUAL GENERAL MEETING OF THE COMPANY

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to the action to be taken, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent professional adviser authorised under the Financial Services and Markets Act 2000 (as amended) if you are in the United Kingdom or, if not, another appropriately authorised independent financial advisor.

If you have sold or otherwise transferred all your Ordinary Shares of 0.5 pence par value each ("**Ordinary Shares**") in the capital of Blencowe Resources Plc ("**Company**"), or will have sold or transferred all of your Ordinary Shares prior to the annual general meeting of the Company to be held on at 10.00 a.m. on 23 April 2020 at the offices of Brandon Hill Capital Limited at 1 Tudor Street, London, EC4Y 0AH United Kingdom please forward this document, together with the accompanying Form of Proxy, as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. If you have sold or otherwise transferred only some of your Ordinary Shares you should retain this document and consult with the stockbroker, bank or other agent through whom the sale or transfer was effected.

BLENCOWE RESOURCES PLC

(Registered in England and Wales under No. 10966847)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of the Company will be held at the offices of Brandon Hill Capital Limited, 1 Tudor Street, London, EC4Y 0AH, on 23 April 2020 at 10.00 a.m. (or any adjournment thereof) for the purpose of considering and, if thought fit, passing the following resolutions, the first 8 of which will be proposed as ordinary resolutions and the remaining resolution which will be proposed as a special resolution.

Forms of Proxy accompany this document. The Form of Proxy for use in connection with the AGM is enclosed with this document and should be returned as soon as possible and, in any event, so as to be received at the offices of the Company's registrars, Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR, United Kingdom not later than 10.00 a.m. on 21 April 2020. The completion and depositing of a Form of Proxy will not preclude a shareholder from attending and voting in person at the AGM.

CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may use this service and should follow the relevant instructions set out in the notes to this notice of AGM.

Unless otherwise expressly stated, all defined terms referred to below shall have the same meanings as given in the Document dated 30 March 2020 of which this Notice convening the AGM forms part.

ORDINARY RESOLUTIONS

To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

1. To receive the Company's annual accounts for the financial year ended 30 September 2019 together with the Directors' Report and Auditors' Report on those accounts.
2. To re-elect Cameron Pearce as a Director of the Company having been appointed since the last general meeting.
3. To re-elect Sam Quinn as a Director of the Company, having been appointed since the last general meeting.
4. To re-elect Alexander Passmore as a Director of the Company, having been appointed since the last general meeting.

5. To re-appoint Crowe U.K. LLP as the Company's auditors to hold office from the conclusion to this meeting until conclusion of the next meeting at which annual accounts are laid before the Company and to authorise the Directors, or the Audit Committee, to determine the remuneration of the auditors.

6. To approve the proposed Acquisition on the terms and conditions as set out in the Acquisition Agreement; and

   (i) without limitation, approve the issue of the Acquisition Shares to Consolidated Africa as consideration for the Acquisition of the entire issued share capital of Consolidated African (Uganda) and the issue of the Option Shares as non-cash consideration to New Energy as consideration for the assignment of the Term Sheet which granted the Company the right to enter into the Acquisition with Consolidated Africa be and is hereby approved; and

   (ii) to approve that the Directors be and they are hereby authorised to do all things that are in the opinion of the Directors (or a duly authorised committee of them) necessary, expedient or appropriate to give effect to and complete the Acquisition with such modifications, amendments, variations or waivers as they (or any such committee) consider to be necessary, expedient or appropriate.

7. Subject to the passing of Resolution 6, to approve the adoption by the Company of the Share Option Scheme described in paragraph 3.12 of Part XI of the Document ("**Share Option Scheme**").

8. That, subject to the passing of Resolution 6, pursuant to section 551 of the Act, the Directors be generally and unconditionally authorised to issue and allot equity securities (as defined by section 560 of the Companies Act) and to grant rights to subscribe for or convert any security into shares of the Company as follows:

   (i) the Acquisition Shares to be issued in connection with the Acquisition;

   (ii) the Option Shares to be issued in connection with the Acquisition;

   (iii) in aggregate 33,333,329 Ordinary Shares be issued as Placing Shares and/or Subscription Shares;

   (iv) in respect of any valid exercise of any share options granted to officers, employees or consultants of the Company in accordance with the terms of the Share Option Scheme;

   (v) in respect of any valid exercise of any warrant over Ordinary Shares granted to any person by the Company; and

   (vi) in addition to any relevant shares allotted pursuant to the authorities in Resolution 8(i) – 8(v) above, up to an aggregate nominal amount of £200,000;

   provided that such authorities shall, unless renewed, varied or revoked by the Company, expire on the date of the next annual general meeting of the Company save that the Company may, before such expiry, make offers or agreements which would or might require relevant securities to be allotted and the directors may allot relevant securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired. This resolution revokes and replaces all unexercised authorities previously granted to the directors to allot relevant securities but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

SPECIAL RESOLUTION

To consider and if thought fit, pass the following resolution as a special resolution:

9. THAT, subject to Resolutions 6 and 8 being duly passed, the Directors of the Company be given the authority to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the authority conferred upon them by Resolution 8 above (as varied, renewed or revoked from time to time by the Company at a general meeting) as if section 561(1) of the Act did not apply to any such allotment provided that such power shall be limited to:

   (i) an allotment in connection with a rights issue or any other pre-emptive offer in favour of holders of equity securities where the equity securities offered to each such holder is proportionate (as nearly as may be) to the respective amounts of equity securities held by each such holder subject only to such exclusion or other arrangements as the Directors may consider appropriate to deal with fractional entitlements or legal or practical difficulties under the laws of or the requirements of any recognised regulatory body in any territory or otherwise;

(ii) an allotment in connection with the valid exercise of any share options granted in accordance with the terms of the Share Option Scheme;

(iii) an allotment in connection with the valid exercise of any warrants over Ordinary Shares granted by the Company;

(iv) an allotment of the Acquisition Shares, Option Shares, Placing Shares and Subscription Shares; and

(v) otherwise, Ordinary Shares with up to a maximum nominal amount of £200,000.

The powers granted by this resolution will expire on the conclusion of the Company's next annual general meeting (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired. This resolution revokes and replaces all unexercised powers previously granted to the directors to allot equity securities as if section 561(1) of the Act did not apply but without prejudice to any allotment of equity securities already made or agreed to be made pursuant to such authorities.

By order of the Board of Directors

Company Secretary

30 March 2020

Registered Office:
Walton House
25 Bilton Road
Rugby
CV22 7AG
Warwickshire

Notes:

Entitlement to attend and vote

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the Company's register of members at:
   (a) 10.00 a.m. on 21 April 2020; or
   (b) if this Meeting is adjourned, at close of business on the day two business days prior to the adjourned meeting, shall be entitled to attend and vote at the Meeting.

Appointment of proxies

2. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
3. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy you may photocopy your proxy card or contact Share Registrars Limited to obtain an extra proxy card on + 44 1252 821390 (Calls will be charged at the standard landline rate cost 12p per minute plus your phone company's access charge. If you are outside the United Kingdom, please call +44 1252 821390. Calls outside the United Kingdom will be charged at the applicable international rate. We are open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales.).
5. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.

Appointment of proxy using hard copy proxy form

6. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote. To appoint a proxy using the proxy form, the form must be:
   (a) completed and signed;
   (b) sent or delivered to Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR, United Kingdom or delivered to Share Registrars Limited by email to voting@shareregistrars.uk.com;
   (c) received by Share Registrars Limited no later than 10.00 a.m. on 21 April 2020.

In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

Appointment of proxies through CREST

7. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual (available from https://www.euroclear.com/site/public/EUI). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

   In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID: 7RA36 by 10.00 a.m. on 21 April 2020. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

   CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

   The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Appointment of proxy by joint members

8. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-name being the most senior).

Changing proxy instructions

9. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Share Registrars Limited on 01252 821390 (Calls will be charged at the standard landline rate cost 12p per minute plus your phone company's access charge. If you are outside the United Kingdom, please call +44 (0) 1252 821390. Calls outside the United Kingdom will be charged at the applicable international rate. We are open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales.).

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

10. In order to revoke a proxy instruction, you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR, United Kingdom. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by Share Registrars Limited no later than 10.00 a.m. on 21 April 2020.

    If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

    Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

Corporate representatives

11. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

Issued shares and total voting rights

12. As at 6.00 p.m. on 27 March 2020, the Company's issued share capital comprised 31,666,664 ordinary shares with nominal value of 0.5 pence each.

    Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 6.00 p.m. on 27 March 2020 is 31,666,664.

Communication

13. You may not use any electronic address provided either in this notice of meeting; or any related documents (including the letter with which this notice of meeting was enclosed and proxy form) to communicate with the Company for any purposes other than those expressly stated.

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