

RNS Drilling/Production Report

Orom Cross Update

BLENCOWE RESOURCES PLC

Released 07:00:06 20 September 2021

RNS Number : 2737M
Blencowe Resources PLC
20 September 2021

Date: 20 September 2021

Blencowe Resources Plc
("Blencowe" or the "Company")

Update on Orom-Cross Graphite Project

Blencowe is pleased to deliver an update to the market in regards to work streams progressing on the Company's flagship Orom-Cross graphite project in Uganda.

Highlights

- Phase Two drilling program was completed in early August; all samples have been prepped and are in transit to laboratories in Australia for assaying.
- Blencowe continues to target a revised, upgraded JORC Standard Resource statement in Q4 2021.
- Preliminary Economic Assessment ("PEA") for the initial proposed mining operation at Orom-Cross is considerably advanced and should be completed before 30 September 2021 with public release shortly thereafter.
- Forthcoming PEA to be first full commercial model for entire project and will indicate how valuable the Orom-Cross project is on a global scale.

The Orom-Cross project is now developing into an outstanding graphite project based on the recent project milestones achieved and other factors including:

- Significant size and scale of the overall deposit will allow substantial future uplifts to production levels to meet anticipated surges in graphite demand;
- Highest quality 97-98% concentrate verified by leading independent metallurgical test expert, SGS Lakefield in Canada;
- Low risk location to develop a long-term mining operation, with stable Government in Uganda supportive of the mining industry;
- Strong community support;
- Advanced project, with 21-year Mining License already awarded; and
- Opportunity to develop Orom-Cross into a battery metals market that is forecast to grow considerably over next decade, as lithium-ion batteries become highly sought after to power exponential growth in electric vehicles (EVs). Graphite is a key component of the lithium-ion battery.

Cameron Pearce, Executive Chairman commented:

"The Company has made considerable progress over the past sixteen months since Orom-Cross was acquired and is now about to deliver a first economic model to share with the market.

We are confident that the PEA will underline the value that has been built to date and outline further upside that Orom-Cross can become a globally significant graphite project due to its scale and mineralogy.

The PEA will also begin the process of allowing investors to assess the project in the context of its global peer group and provide a robust framework for us to progress strategic discussions already initiated with a range of parties such as potential offtake agreements and strategic partnerships.

We also look forward to delivering our revised JORC Resource Statement in the fourth quarter of this year.

Following delivery of the PEA we will then seek to progress to a pre-feasibility study ("PFS") to ensure that we further de-risk the investment decision as we drive towards first production."

Background to PEA

The completion of the PEA by the end of month comes as a result of a range of key achievements Blencowe has delivered on to date, both in terms of timing and budget, and most specifically the initial JORC Standard Resource statement, the second drilling campaign to further delineate a greater part of these resources to a lower risk category (Indicated and Measured status) and the exceptional metallurgical test results announced in the middle of the year.

The PEA has been built up internally by Blencowe's management team who have significant experience in this regard, with a stated purpose to be accurate but conservative. However, all key numbers within the PEA have been generated via the involvement of third-party technical experts to ensure credibility and integrity.

The next step beyond PEA will be for the PFS to commence, which will ultimately be signed off by a third party technical firm. As part of the PFS Blencowe will be opening dialogue with potential offtake partners on quantity, quality and pricing of end products as available for sale.

For further information please contact:

Blencowe Resources Plc
Sam Quinn

www.blencoweresourcesplc.com
Tel: +44 (0)1624 681 250
info@blencoweresourcesplc.com

Investor Relations
Sasha Sethi

Tel: +44 (0) 7891 677 441
sasha@flowcomms.com

Brandon Hill Capital Limited
Jonathan Evans

Tel: +44 (0)20 3463 5000
jonathan.evans@brandonhillcapital.com

First Equity Limited
Jason Robertson

Tel: +44(0)20 7330 1833
jasonrobertson@firstequitylimited.com

Twitter <https://twitter.com/BlencoweRes>
LinkedIn <https://www.linkedin.com/company/72382491/admin/>

Background

Orom-Cross is a potential world class graphite project both by size and end-product quality, with a high component of more valuable larger flakes within the deposit. A 21-year Mining Licence for the project was issued by the Ugandan Government in 2019 following extensive historical work on the deposit and Blencowe is moving into the studies phase shortly as it drives towards first production.

Orom-Cross presents as a large, shallow open-pitabile deposit, with a maiden JORC Indicated & Inferred Mineral Resource deposit of 16.3Mt @ 6.0% Total Graphite Content. Development of the resource is expected to benefit from a low strip ratio and free dig operations, thereby ensuring lower operating and capital costs.

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

DRLGUGDCCXDDGBG

London Stock Exchange plc is not responsible for and does not check content on this Website. Website users are responsible for checking content. Any news item (including any prospectus) which is addressed solely to the persons and countries specified therein should not be relied upon other than by such persons and/or outside the specified countries. [Terms and conditions](#), including restrictions on use and distribution apply.
