

RNS Drilling/Production Report

Stage Two Drilling Program Commences

BLENCOWE RESOURCES PLC

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

Stage Two Drilling Program Commences at Orom-Cross Graphite Project

Highlights

- Stage Two 2,200m (74 holes) diamond drilling program underway in Uganda.
- Designed to define a +10Mt TGC Measured and Indicated Resource from existing 16.3Mt.
- Fully funded through existing cash resources.
- Previously drilled high grade zones in Northern Syncline and Camp Lode to be included in new upgraded resource.
- Additional in-fill drilling to provide basis for mine planning, delivery of geotechnical and other information, for inclusion in Pre-Feasibility Study (PFS).

Blencowe Resources Plc ("**Blencowe Resources**" or the "**Company**") (LSE: BRES) is pleased to announce the commencement of the Stage Two drilling program at Orom-Cross, designed to in-fill the recently announced JORC Resource and upgrade substantial tonnes into the Indicated and Measured categories. This additional program will progress Orom-Cross along its development path towards first production, and will be executed using the Company's in-country technical partners, ADT Drilling and Minrom Consulting. Additional resources will also be targeted in the current programme, with drilling also focusing on proven high grade areas, as yet not included in the maiden JORC Resource.

On 13 April 2021, Blencowe announced its maiden JORC Resource estimate for Orom-Cross, less than one year after acquiring the Project. The commencement of Stage Two, so soon after the highly successful maiden drilling programme, underlines the Company's focus to add significant value efficiently and cost-effectively within this development phase. The drilling campaign will progress in parallel with the ongoing metallurgical test work, with leading graphite expert SGS Lakeside in Toronto/Canada, the results of which are expected later this quarter. The drilling program will take approximately 2-3 months to complete, with a similar amount of time thereafter to prepare samples, complete all assaying and provide a JORC Resource update. The Company will provide updates during the drilling campaign as appropriate.

The maiden JORC Resource delineated a 16.3Mt TGC resource at Orom-Cross, almost twice the size as the originally targeted. This next phase of development will bring the drill spacing closer together to ensure continuity of both product and grade, as required for mine planning within the PFS that will follow.

The Stage One drilling program also located higher grade graphite in the Camp Lode, which was only partially explored. Stage Two will therefore also target parts of the Camp Lode to bring it into the overall JORC Resource for the first time, which is likely to have a material positive impact on both grade and tonnes.

Cameron Pearce, Executive Chairman commented;

"I am delighted to announce the commencement of our fully funded Stage 2 drilling program, which we expect will add further material value to the Orom-Cross graphite project in Uganda. We are moving quickly towards the feasibility studies phase and this current drill program is designed not only to expand the resource's size, grade and classification, but also ensure that all necessary geological and mining information required for those studies is subsequently available. We have already come a long way in a short period of time at Orom-Cross. We look forward to the results of this next phase of drilling and the results of the ongoing metallurgical studies with great optimism.

"We remain firm believers that the battery metals market is only just beginning its massive growth cycle over the next decade. We believe this once-in-a-generation transformation will continue to expand exponentially into the future. Benchmark Minerals Intelligence recently announced that over two hundred lithium-ion battery Megafactories are now in the pipeline worldwide, a significant growth from just seventy factories three years ago. These represent millions of tonnes of future graphite demand in the years ahead and support the positive outlook for the graphite market.

Accordingly, we are resolute in our position that Orom-Cross offers significant value and the ability to play a substantial role in helping to ease the significant forecast deficit of graphite in the future. We have already been issued a 21-year

mining license at Orom-Cross, which not only considerably de-risks our work ahead, but also should help the Company advance the asset into production in an expeditious manner.

I look forward to updating the market on the results of the metallurgical test work later this quarter."

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Background

Orom-Cross is a potential world class graphite project both by size and end-product quality, with a high component of larger flakes identified from previous work performed. A 21-year Mining Licence was issued by the Ugandan Government in 2019 following extensive historical work on the deposit.

Orom-Cross presents as a large, shallow open pitable deposit, with an estimated resource in excess of 3 billion tonnes of graphite. Development of the resource is expected to benefit from a low strip ratio and free dig operations, thereby ensuring lower operating and capital costs.

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