

## **SERABI MINING plc (“Serabi” or “the Company”)**

**Open Offer of up to 21,151,613 Ordinary Shares  
at  
1.5 pence per Ordinary Share  
on the basis of  
1 Offer Share for every existing 14 Ordinary Shares**

### **Highlights**

- Open Offer of up to 21,151,613 Ordinary Shares at 1.5p per Ordinary Share.
- Open Offer will raise up to £317,274 (before expenses) – the Open Offer is not underwritten.
- Funding will be used to undertake follow-up exploration around Palito.

### **OPEN OFFER STATISTICS\***

Open Offer Price per Offer Share	1.5 pence
Number of Existing Ordinary Shares	296,122,583
Number of Offer Shares to be issued pursuant to the Open Offer	21,151,613
Proceeds of the Open Offer (before expenses)	£317,274
Enlarged Ordinary Shares in issue at Admission	317,274,196
Percentage of the Enlarged Share Capital represented by the Offer Shares	6.7 per cent.

*\* Assuming full take up of entitlements under the Open Offer.*

### **Mike Hodgson, Chief Executive, commented:**

*“We are delighted to have completed the placing announced last week and the Open Offer will enable our smaller shareholders to participate in the Company’s financing at the placing price.”*

### **Enquiries:**

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#### **Beaumont Cornish Limited**

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## 1. Introduction

On 10 November 2009 the Board of Serabi announced that the Company had placed in aggregate 144,534,500 Ordinary Shares at a price of 1.5 pence per Ordinary Share to raise £2,168,017 (before expenses) to fund the Company's next stage of exploration at the Palito mine. The Placing was completed on 16 November 2009.

In addition, the Company issued 5,054,551 Ordinary Shares to certain suppliers and consultants in satisfaction of outstanding liabilities of £77,503 and 6,394,467 Ordinary Shares to the Directors in settlement of accrued but unpaid remuneration and benefits under the terms of their existing service contracts amounting to £95,917 at the Placing Price.

## 2 Details of the Open Offer

The Board considers it important that, where reasonably practicable, Shareholders have an opportunity to participate in the fundraising at the Placing Price. Accordingly, the Board proposes to raise up to £317,274 (before expenses) by way of an open offer to be made to Eligible Shareholders of up to 21,151,163 New Ordinary Shares at the Placing Price. The Open Offer is not underwritten.

In the event that the Open Offer is over-subscribed the applications will be scaled back at the discretion of the Directors. In particular, in the event that any Eligible Shareholder applies for a proportionately larger number of Offer Shares compared to other applicants that Eligible Shareholder's application will be scaled back so as to allow the smaller applicants to participate. To the extent that Offer Shares are not subscribed for by Existing Shareholders, the Company reserves the right to offer such shares to third parties.

The Offer Price represents a discount of 25 per cent. to the Closing Price of 2 pence per Existing Ordinary Share on 16 November 2009, being the last dealing day prior to the publication of this announcement.

The Offer Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares including the right to receive all dividends and other distributions declared, made or paid after the date of their issue.

The Open Offer closes at 3.00 p.m. on Monday 2 December 2009. Application will be made to the London Stock Exchange for the Offer Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the Offer Shares will commence on AIM at 8.00 a.m. on 9 December 2009. A summary timetable is set out in Appendix I.

The Open Offer is subject to Admission becoming effective by no later than 8.00am on 16 December 2009 or such later time and/or date as the Company may determine (but, in any event, not later than 23 December 2009).

The Open Offer is not conditional on subscription in full of the Offer Shares. If the Open Offer is not subscribed in full, the Directors will allot and issue those Offer Shares for which valid applications have been received.

An Eligible Shareholder's right to subscribe for the Offer Shares in respect of the Open Offer is not tradeable.

In connection with the Open Offer, the Company is today publishing a Document containing full details, including the terms and conditions, of the Open Offer. The Document itself does not include an Application Form to enable Eligible Shareholders to participate in the Offer. Application Forms are personalised for each Eligible Shareholder and have been sent, together with the Document by mail to each shareholder's address of record in the shareholders register as at 5.00 p.m. on 16 December 2009. For Eligible Shareholders who hold shares in the Company through a nominee, the Application Form and Document will be sent to the nominee.

## 3. Use of Proceeds

Assuming full subscription under the Open Offer, the Open Offer will raise a further £317,274 (before expenses) payable by the Company. The Company intends to use the net proceeds of the Placing and Offer (amounting to approximately £2,326,291, assuming full subscription under the Open Offer) to commence the first stage of exploration and further evaluation of the 18 prioritised anomalies identified within the surveyed area and to fund the general working capital requirements of the Group.

Copies of the Document will be available from the Company's website ([www.serabimining.com](http://www.serabimining.com)) free of charge in accordance with the requirements of Rule 26 of the AIM Rules.

## Qualified Person's Statement:

The technical information contained within this announcement has been reviewed and verified by Michael Hodgson as required by the AIM Guidance Note on Mining, Oil and Gas Companies dated June 2009. Michael Hodgson is an Economic Geologist by training with 20 years experience in the mining industry. He has a BSc (Hons) Geology, University of London, an MSc Mining Geology, University of Leicester and is a Fellow of Institute of Materials, Minerals and Mining and a Chartered Engineer of the Engineering Council of UK.

## Appendix I

### EXPECTED TIMETABLE OF PRINCIPAL EVENTS

<i>Event</i>	<i>Expected time / date</i>
Open Offer Record Date	5.00 p.m. on 16 November 2009
Publication of the Document	17 November 2009
Latest time and date for receipt of completed Application Forms and/or CREST Excess Application Form and payment in full under the Open Offer or settlement of relevant CREST instruction (as appropriate)	3.00 p.m. on 2 December 2009
Admission effective and dealings commence on AIM	8.00 a.m. on 9 December 2009
Crediting of Offer Shares to CREST accounts	By 8.00 a.m. on 9 December 2009
Despatch of definitive certificates for Offer Shares	By 17 December 2009

The dates set out in the timetable of principal events above and mentioned throughout this announcement may be adjusted by the Company, in which event the details will be notified to the London Stock Exchange and, where appropriate, to Shareholders.

## DEFINITIONS

"Admission"	admission of the New Ordinary Shares to trading on AIM becoming effective in accordance with the AIM Rules
"AIM"	a market operated by the London Stock Exchange
"Application Form"	the application form to be used by Eligible Non-CREST shareholders in connection with the Open Offer
"Beaumont Cornish"	Beaumont Cornish Limited, the Company's nominated adviser and broker, a member of the London Stock Exchange and authorised and regulated by the Financial Services Authority
"Company" or "Serabi"	Serabi Mining Plc
"CREST"	the computerised settlement system operated by CRESTCo Limited to facilitate the transfer of title to shares in uncertificated form. The Relevant System (as defined in the CREST Regulations) in respect of which CRESTCo Limited is the Operator (as defined in the CREST Regulations)
"CREST Excess Application Form"	the application form to be used by Eligible CREST Shareholders in connection with the Open Offer
"Directors" or the "Board"	the directors of the Company, as at the date of this announcement
"Document"	the circular to Shareholders dated 17 November 2009 setting out the terms and conditions of the Open Offer
"Eligible Shareholders"	holders of Existing Ordinary Shares at the Open Offer Record Date with addresses for service within the United Kingdom (excluding for the avoidance of doubt the Channel Islands)
"Existing Ordinary Shares"	the existing Ordinary Shares of the Company in issue at the date of this announcement
"Group"	the Company and its subsidiaries
"London Stock Exchange"	London Stock Exchange plc
"New Ordinary Shares"	the Ordinary Shares in the Company to be issued pursuant to the Open Offer
"Offer Price"	1.5 pence for each Offer Share
"Offer Shares"	The 21,151,613 New Ordinary Shares which are to be made available for subscription by Eligible Shareholders under the Open Offer

“Open Offer”	the conditional offer to Eligible Shareholders to subscribe for the Offer Shares at the Offer Price being made by the Company on the terms set out in the Document
“Open Offer Record Date”	5.00 p.m. on 16 November 2009
"Ordinary Shares"	ordinary shares of 0.5 pence each in the capital of the Company
"Shareholder"	a holder of Ordinary Shares from time to time