

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

### **Result of the Open Offer**

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. The Company also announced that it had arranged an unsecured £300,000 convertible loan facility (the “**Convertible**”), convertible into up to 20,000,000 New Ordinary Shares at the Placing Price (excluding accrued interest). 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.

As the Board considers it important that, where reasonably practicable, Shareholders have an opportunity to participate in any fundraising at the same price, on 17 November 2009 it was announced that the Board of Serabi proposed to raise up to £317,274 (before expenses) by way of the Open Offer to be made to Eligible Shareholders of up to 21,151,613 New Ordinary Shares at a price of 1.5 pence per Offer Share. The Circular was sent to Shareholders on 17 November 2009.

The Open Offer closed at 3.00p.m. on 2 December 2009. Under the Open Offer, valid applications were received from Eligible Shareholders in respect of their Open Offer Entitlements for, in aggregate, 12,505,455 Offer Shares, representing approximately 59.12 per cent. of the 21,151,613 Offer Shares offered pursuant to the Open Offer. As a consequence, 8,646,158 Offer Shares were available pursuant to the Excess Application Facility. Valid applications pursuant to the Excess Application Facility were received in respect of 35,022,756 Excess Shares, representing approximately 405 per cent. of the Excess Shares available. Accordingly, applications for Excess Shares under the Excess Application Facility have been scaled back as described in the Circular, at the discretion of the Directors in favour of smaller applicants. In aggregate, 21,151,613 New Ordinary Shares were issued pursuant to valid applications from Eligible Shareholders in respect of their Open Offer Entitlements and the Excess Application Facility. The Open Offer was not conditional on subscription in full of the Offer Shares.

Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the New Ordinary Shares will commence on AIM at 8.00 a.m. on 9 December 2009. The Enlarged Issued Share Capital of Serabi following Admission will be 317,274,196 Ordinary Shares in aggregate. The New Ordinary 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.

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

*“The Open Offer enabled our smaller Shareholders to participate in the Company’s recent financing and we are delighted that so many took advantage of this facility.”*

#### **Enquiries:**

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## **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
“Circular”	the circular to Shareholders dated 17 November 2009 setting out the terms and conditions of the Open Offer
“Company” or “Serabi”	Serabi Mining Plc
“Directors” or the “Board”	the directors of the Company as at the date of this announcement
“Eligible Shareholders”	holders of Ordinary Shares entitled to receive the Open Offer in accordance with the terms of the Circular
“Enlarged Issued Share Capital”	the Ordinary Shares in issue on Admission comprising the Existing Ordinary Shares and the Offer Shares
“Excess Application Facility”	the facility to Eligible Shareholders to enable them to apply for New Ordinary Shares under the Open Offer in excess of their entitlement under the Open Offer
“Excess Shares”	any Offer Shares applied for by an Eligible Shareholder in excess of his Open Offer Entitlement
“Existing Ordinary Shares”	the existing Ordinary Shares of the Company in issue at the date of this announcement
“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 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 Circular

“Open Offer Entitlement”	the entitlement to subscribe for Open Offer Shares allocated to an Eligible Shareholder pursuant to the Open Offer
“Ordinary Shares”	ordinary shares of 0.5 pence each in the capital of the Company
“Placing Price”	1.5 pence per Ordinary Share
“Shareholder”	a holder of Ordinary Shares from time to time.

**ENDS**