

For immediate release

21 May 2020

**Serabi Gold plc**  
**(“Serabi” or the “Company”)**  
**Notice of Annual General Meeting and proposed Board changes**

The Company announces that its Annual General Meeting will be held on Tuesday 16 June 2020, at the offices of Farrer & Co. LLP, 20/23 Lincoln's Inn Fields London WC2A 3LH England at 2.00 pm (BST). The Company has published the formal notice of the meeting (the “Notice”) on its website which can be accessed using the following link <https://bit.ly/2y6uTxP>. Proxy voting forms are being posted to all shareholders providing details of how to access the Notice and instructions for voting. A copy of the Notice together with proxy voting forms and a copy of the 2019 Annual Report is being posted to all shareholders who are required to receive or have formally requested to receive these documents.

Copies of the 2019 Annual Report are available from the Company's website at [www.serabigold.com](http://www.serabigold.com).

The Notice contains a letter from the Chairman of the Company, Mr Mel Williams, which is set out below in Appendix 1.

***Changes to the format of the AGM***

At the current time mandatory measures to reduce the transmission of COVID-19 remain in place. These mandatory measures continue to prohibit, amongst other things, individuals engaging in non-essential travel and public gatherings of people save where the gathering is essential for work purposes (the “**Stay at Home Measures**”).

Whilst the Company remains legally required to hold its AGM, the Stay at Home Measures, if still in place at the time of the Meeting, will significantly restrict the Company's ability to follow the normal AGM format. In order to ensure that shareholders can comply with the Stay at Home Measures, if these measures are still in place at the time of the Meeting, the Board has concluded that **shareholders should not plan to attend the Meeting in person.**

It is currently intended that the Meeting will be held with **only the minimum number of shareholders present as required to form a quorum** under the Company's articles of association, and who are essential for the business of the Meeting to be conducted. These attendees will be officers or employees of the Group. The results of the votes on the proposed resolutions will be announced in the normal way as soon as practicable after the conclusion of the Meeting.

Having regard to their own safety and that of others, the Board respectfully requests that shareholders comply with the Stay at Home Measures and do not make plans to attend the Meeting. To ensure the safety of the limited number of people whose attendance at the AGM is essential, **we will not be able to allow any other shareholders to gain access to the Meeting on the day.**

To ensure that shareholders' votes are counted, the Board strongly encourages all shareholders to exercise their right to vote by **appointing the Chairman of the Meeting as their proxy** to vote at the Meeting on their behalf, in accordance with their instructions. Shareholders should not appoint any person other than the Chairman of the Meeting to act as their proxy, as that person will not be

granted access to the Meeting on the day and their appointing shareholder's votes will not be able to be counted

### **Proposed changes to the Board**

As set out in the Notice, Mr Mel Williams, Chair of the Board, has announced his intention to step down from the Board at the AGM. Mr Nicolas Bañados, an existing Non-executive Director, will take over the role as Non-executive Chairman.

### **Enquiries:**

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Copies of this announcement are available from the Company's website at [www.serabigold.com](http://www.serabigold.com).

Neither the Toronto Stock Exchange, nor any other securities regulatory authority, has approved or disapproved of the contents of this announcement.

### **Appendix 1**

The letter from the Chairman of the Company included in the Notice is reproduced below (without material adjustment or amendment):

"Dear Shareholder

This document provides the formal notice (the "**Notice**") of the 2020 Annual General Meeting and Special Meeting ("**AGM**") of the Company to be held at the offices of Farrer & Co LLP, 66 Lincoln's Inn Fields, London WC2A 3LH, England on 16 June 2020 at 2.00pm (London time) (the "**Meeting**"). This document also includes additional information that the Company as a "reporting issuer" in Canada is required to make available pursuant to the requirements of National Instrument 51-102 – Continuous Disclosure Obligations ("**NI 51-102**") of the Canadian Securities Administrators.

### ***Changes to the format of our AGM***

The Board continues to closely monitor developments in relation to the COVID-19 pandemic and the health and wellbeing of the Company's shareholders and employees continue to remain of paramount importance.

At the time of this Notice being issued mandatory measures to reduce the transmission of COVID-19 remain in place. These mandatory measures continue to prohibit, amongst other things, individuals engaging in non-essential travel and public gatherings of people save where the gathering is essential for work purposes (the "**Stay at Home Measures**").

Whilst the Company remains legally required to hold its AGM, the Stay at Home Measures, if still in place at the time of the Meeting, will significantly restrict the Company's ability to follow the normal AGM format. In order to ensure that shareholders can comply with the Stay at Home Measures, if these measures are still in place at the time of the Meeting, the Board has concluded that **shareholders should not plan to attend the Meeting in person.**

It is currently intended that the Meeting will be held with **only the minimum number of shareholders present as required to form a quorum** under the Company's articles of association, and who are essential for the business of the Meeting to be conducted. These attendees will be officers or employees of the Group. The results of the votes on the proposed resolutions will be announced in the normal way as soon as practicable after the conclusion of the Meeting.

Having regard to their own safety and that of others, the Board respectfully requests that shareholders comply with the Stay at Home Measures and do not make plans to attend the Meeting. To ensure the safety of the limited number of people whose attendance at the AGM is essential, **we will not be able to allow any other shareholders to gain access to the Meeting on the day.**

To ensure that shareholders' votes are counted, the Board strongly encourages all shareholders to exercise their right to vote by **appointing the Chairman of the Meeting as their proxy** to vote at the Meeting on their behalf, in accordance with their instructions. Shareholders should not appoint any person other than the Chairman of the Meeting to act as their proxy, as that person will not be granted access to the Meeting on the day and their appointing shareholder's votes will not be able to be counted.

Shareholders are encouraged to submit their proxy forms or voting instructions online following the details set out in the Proxy Instructions that accompanies this Circular. Alternatively, shareholders can return their proxy forms or voting instructions by post following the instructions provided in this Circular. Proxy appointments or voting instructions should be received as soon as possible and must be received **by no later than 2:00 pm (BST) on 12 June 2020 in order to be valid.**

Despite these necessary changes to the format of the AGM, the Board wants to ensure that shareholders have an opportunity to engage with the Company and the Board. Shareholders are encouraged to submit questions in advance of the Meeting, by emailing [AGM2020@serabigold.com](mailto:AGM2020@serabigold.com) and including "AGM 2020" in the subject line. We will endeavour to answer these questions through a news release to be issued at the time of the AGM. It is not the intention at this time to arrange a formal Q&A webinar to coincide with the AGM but the Board will keep this option under review.

If, before the date of the Meeting, the Stay at Home Measures are lifted so as to permit public gatherings, the Board will provide a further update to shareholders in respect of the proposed format of the Meeting and whether or not shareholders should plan to attend the Meeting in person. The Board considers it to be unlikely that the Stay at Home Measures will be lifted sufficiently to permit the AGM to be conducted in its normal format this year, but is keeping all eventualities under review and will communicate any updates to the shareholders before the date of the Meeting.

The Board wishes to thank the shareholders for their patience and understanding at this challenging time. We look forward to engaging with our shareholders in more positive circumstances in the future, once it is safe to do so.

### ***Background***

The matters being considered at the 2020 Annual General Meeting and Special Meeting set out in the Notice are, for the most part, items that are routinely considered at such meetings.

Whilst in 2019, the Company made some significant progress towards its ambition of becoming a 100,0000 ounce per year gold producer, the uncertainties caused by the recent COVID-19 global pandemic has meant that the Board has been required to take decisions to protect the business in the short term by temporarily suspending exploration and significant capital investment until the outlook becomes a little clearer.

2019 did see record levels of gold production and profitability and with the successful commissioning of the ore-sorter in the first two months of 2020, the Board was anticipating a further 12 to 13 per cent increase in gold production for the year. The short term need to protect the health and welfare of our employees is, however, our priority, and for this reason we immediately minimised the movement of personnel and contractors into the mine site and accommodation and are operating with a slightly smaller than normal contingent of staff at site to improve safety and social distancing. The workforce is showing huge flexibility in supporting the business with many workers willing to stay at site and abandon normal rotation, thereby reducing risk to themselves and families. With our location and this attitude we are very optimistic we can continue with minimal interruption to our business, and ensure that we emerge in a relatively strong position once restrictions are lifted and resume our development and exploration plans as quickly as possible thereafter.

Notwithstanding the current issues I still have strong hopes for the year. The Company is in a relatively strong position financially, we will have settled the loan with Sprott by the end of June and have reached a good arrangement which will allow us to settle the final payment due for Coringa.

We continue to enjoy the strong support of our major shareholder groups, Fratelli Investment and Greenstone Resources. The delay with Coringa did have a consequence for the Group's financing plans in 2019 and, in particular, the settlement of the final US\$12 million acquisition payment that was owed for the purchase of Coringa. It made little sense to spend significant sums on this project until the final deferred consideration was paid in full and we had expected that this final settlement payment would form part of the development finance package required to build the project. We are extremely grateful for the display of confidence and support of Greenstone Resources in

undertaking to subscribe for US\$12 million of Convertible Loan Notes. With the current world uncertainties, we have agreed with Greenstone to draw this funding down in instalments until such time as both parties are satisfied that longer term operational plans can be resumed, and the transaction, as originally envisaged, completed.

Once the current crisis abates, the plans and opportunities moving forward are very exciting and would see the achievement of further record levels of gold production, completion of the necessary permitting and licensing of Coringa and hopefully the enhancement of the potential for Sao Chico which will provide, I hope, an opportunity for our future production growth target of 100,000 ounces per annum. I am anticipating that there will now be some unavoidable delays in reaching these goals, but I know that our team will be working hard to achieve them as rapidly as is feasible. I am sure that out of the current difficulties that the world is facing, opportunities will present themselves and assuming that Serabi emerges in a relatively strong position the Board remains keen to look at those opportunities where Serabi's management can add value and enhance a project for the benefit of Serabi's shareholders. **It is for this reason that the Company is requesting Shareholders to authorise the Board to issue new shares to allow the Company to pursue and commit to these opportunities quickly as and when they arise.**

***Recommendation***

The Directors consider that the resolutions set out in the Notice being put to the Annual General Meeting and Special Meeting are in the best interests of the Company and its Shareholders and are most likely to promote the success of the Company for the benefit of the Shareholders as a whole.

Accordingly, the Directors unanimously recommend that Shareholders vote in favour of the proposed resolutions, as they intend to do in respect of their own holdings, where relevant, amounting to an aggregate of 1,262,345 Ordinary Shares, representing approximately 2.14 per cent of the Company's Ordinary Shares in issue as of the date of this Circular.

After nine years serving as a Director of Serabi and for the last three years as Chairman, I have taken the decision to step down from the Board at the Annual General Meeting. The Board has elected Nicolas Bañados to take over as Chairman. In April 2020, Felipe Swett also stood down from the board having served for almost six years as a Director and Luis Azevedo has been appointed in his place. I extend my thanks to Felipe for all his service and contribution to the Board. Luis is a well-known figure in the Brazilian mining industry and an individual that has been closely involved with the Company for a number of years. His insights and expertise will of great benefit to the Company going forward.

Yours faithfully

(Signed) "Melvyn Williams"

Melvyn Williams

Non-executive Chairman"

**ENDS**