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**FURTHER, THIS ANNOUNCEMENT IS FOR INFORMATION PURPOSES ONLY AND DOES NOT CONSTITUTE AN OFFER OF SECURITIES IN ANY JURISDICTION. PLEASE SEE THE IMPORTANT NOTICES AT THE END OF THIS ANNOUNCEMENT.**

*This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018.*

For immediate release

1 March 2021

**Serabi Gold plc  
("Serabi" or the "Company")**

**Proposed Fundraising**

Serabi Gold plc (AIM:SRB, TSX:SBI), the Brazil focussed gold producer and developer, is pleased to announce its intention to raise gross proceeds of approximately US\$17.5 million (£12.5 million / C\$22.0 million) by way of a placing of new Ordinary Shares in the capital of the Company (the "**Placing Shares**") to both existing and new institutional investors (the "**Placing**").

Concurrently with the Placing, Serabi will also conduct a placing of Warrants to subscribe for new Ordinary Shares in the capital of the Company ("**Warrant Placing**" and together with the Placing the "**Placings**"). The Warrant Placing is conditional, amongst other things, upon Shareholder approval and completion of the Placing. Only subscribers for Placing Shares will be eligible to participate in the Warrant Placing and may purchase one half of a warrant for each Placing Share subscribed for.

In relation to the Placings, Peel Hunt LLP ("**Peel Hunt**") and Tamesis Partners LLP ("**Tamesis**") are acting as joint bookrunners (together the "**Joint Bookrunners**") and Beacon Securities Limited ("**Beacon**") is acting as Manager. The books for the Placings will open with immediate effect. In addition to the Placings, there will be an offer for subscription for new Ordinary Shares (the "**PrimaryBid Offer Shares**") for retail investors (the "**PrimaryBid Offer**" and together with the Placings, the "**Fundraising**") provided that the total number of Ordinary Shares to be issued in the Fundraising shall not exceed 20 million. A separate announcement will be made shortly regarding the PrimaryBid Offer and its terms. Neither of the Placings are conditional on the PrimaryBid Offer.

**Highlights:**

- Intention to raise gross proceeds of approximately US\$17.5 million in the Placing through the issue of Ordinary Shares in the Company at a price of £0.75 (C\$1.32) per Placing Share (the "**Placing Price**");
- Use of Placing proceeds to:
  - Part fund the construction of the Coringa Gold Project which, when in full production, is expected to increase current annual production by approximately 100 per cent. to approximately 80 kozpa;

- Undertake further regional exploration, including up to c. 32,000m of drilling on priority targets during 2021 as part of the Company's longer term exploration objective of targeting a mineral resource above 3 million ounces of contained gold in aggregate across all of the Company's projects;
  - Redeem the outstanding Convertible Loan Notes held by Greenstone Resources II LP ("**Greenstone**"), being US\$2 million together with accrued interest of approximately US\$200,000 and the arrangement fee and other expenses of approximately US\$333,000 (together the "**Interest and Fees**") both of which are due to be settled in cash at the same time that the Convertible Loan Notes are redeemed; and
  - Repay the remainder of the Equinox debt which as of 31 December 2020 was approximately US\$6.6 million including accrued interest.
- Any funds raised in the Warrant Placing and the Primary Bid Offer will also be used for these purposes and general working capital.
  - The Company and Greenstone have entered into an agreement (the "**Redemption Agreement**") pursuant to which they have agreed, conditional on Admission, to terminate the existing convertible loan note subscription deed between, amongst others, Greenstone and the Company originally dated 21 January 2020, (the "**Subscription Deed**" as amended, restated, modified or supplemented from time to time) and to release the security granted by the Company in favour of Greenstone.
  - Greenstone has indicated its intention to subscribe in the Placing for a minimum of 2,417,055 Ordinary Shares and may subscribe for further Ordinary Shares up to a maximum number of Ordinary Shares that would result in Greenstone maintaining its current interest in the Company subsequent to the Placing and the Primary Bid Offer (and which prior to the announcement of the Placing was 25.2% of the issued share capital). Greenstone has also indicated that it intends to subscribe for Warrants in the Warrant Placing.

The Placings are being conducted by way of an accelerated bookbuild (the "**Bookbuild**") and will both be launched immediately following the release of this Announcement. The timing of the closing of the Bookbuilds and the allocations are at the absolute discretion of the Joint Bookrunners, the Manager and the Company provided that only subscribers for Placing Shares will be eligible to participate in the Warrant Placing and such subscribers may only purchase one half of a warrant for each Placing Share subscribed for.

The results of the Placings will be announced as soon as practicable after the close of the respective Bookbuilds.

Both of the Placings are subject to the terms and conditions set out in the Appendix to this announcement (which forms part of this announcement, such announcement and the Appendix together being this "**Announcement**").

The Warrant Placing is conditional, inter alia, on completion of the Placing and shareholder approval of the relevant authorities to issue the Warrants and the new Ordinary Shares to be issued upon exercise of the Warrants at the annual general meeting of the Company to be held by the end of May 2021. The subscription price for the Warrants is £0.06 (C\$0.11) per warrant ("**Warrant Subscription Price**") and the exercise price for the Warrants will be £0.9375 (C\$1.65) per new Ordinary Share, representing a premium of 25% to the Placing Price, subject to adjustment for certain corporate events ("**Exercise Price**"). The Warrants will be exercisable for two years from their date of issue. The Warrants will not be transferable and will not be listed on AIM, the Toronto Stock Exchange or any other exchange or market. Further details of the Warrants will be set out in the circular containing the notice of annual general meeting which is expected to be published by the end of April 2021.

Greenstone and Fratelli Investments Limited have undertaken to vote the Ordinary Shares that they hold at the time of the annual general meeting in favour of the resolutions to authorise the issue of the Warrants and the new Ordinary Shares to be issued upon exercise of the Warrants.

Application will be made to the London Stock Exchange for the Placing Shares and the Primary Bid Offer Shares to be admitted to trading on AIM ("**Admission**") and listed for trading on the Toronto Stock Exchange on or around 9 March 2021.

The completion of the Placing is conditional upon Admission becoming effective and the Redemption Agreement not being terminated prior to Admission. The Placing is not conditional upon the Primary Bid Offer or the Warrant Placing. The Warrant Placing is conditional amongst other things on completion of the Placing and upon Shareholder approval.

### **Trading update**

Gold production from the Company's operations since the beginning of the year has been in line with management's expectations and consistent with the upper end of the Company's guidance for production of 33,000 to 36,000 ounces for 2021.

As advised in the Company's news release of 15 January 2021, during the third quarter of 2020, the Company produced 7,224 ounces of gold but because of the timing of delivery and therefore recognition of gold sales for accounting purposes, sales of 8,260 ounces were accounted for in the same period. During the fourth quarter of 2021, whilst gold production of 7,254 ounces was very similar, gold sales recognised for accounting purposes in the period were 6,511 ounces. As a result, income recognised in the fourth quarter is lower than that of the third quarter with a consequent impact on EBITDA and net profit before tax. This has also impacted on the levels of cash generated in the period.

As also reported in the Company's news release of 15 January 2021, the final gold sale of 2020 was recorded on 29 December 2020 when a shipment of copper/gold in concentrate left Brazil. The initial proceeds from this sale of US\$1.5 million were received in the first days of January 2021. In the preceding quarters of 2020, both the recognition of revenue and the receipt of the initial payments have occurred within the same quarter for all gold sales. Including this delayed receipt, the cash position at the end of December on a like for like basis was US\$8.1 million.

During the second and third quarters of 2020, the Company took actions that allowed mining operations to continue whilst at the same time seeking to minimise the health risk to its personnel presented by COVID-19. As part of its actions the numbers of personnel at site were significantly reduced and all work undertaken by third party contractors, including surface and underground drilling crews, was suspended. During the fourth quarter, staffing levels at site progressively returned to normal levels and contractors to undertake surface and underground drilling returned to site. During Q4, costs increased therefore, compared the Q2 and Q3, reflecting the restart of underground drilling. In addition, the maintenance department was very active catching up on the servicing and repair of machinery and other equipment that had been operating with limited maintenance capacity during the preceding two quarters.

At the end of 2019, the Company was owed approximately BrR\$14 million (approximately US\$2.6 million) in sales related taxes incurred on purchases of fixed assets, consumable goods and services by the State of Para. This debt has been reviewed and confirmed as being due to the Company and the Company has received legal advice confirming that it is entitled to recover this amount. The Company as an exporter does not charge sales tax on its revenues and therefore is unable to recover this debt by way of set-off and is currently reliant upon a cash settlement from the revenue authorities for the State of Para to recover this debt. In light of the financial position of the State of Para, it has been unwilling to make any cash settlement to date. From time to time it has been possible to sell, with

the permission of the revenue authorities of the State of Para, these debts to third parties. The Company held at the end of 2019 a provision of 20% of the amount owed (BrR\$2.8 million) representing its estimate of the market discount applicable to such a transaction. During 2020, the Company has been unable to progress a potential transaction with a third party and as of 31 December 2020 the value of the debt owed had increased to BrR\$17.7 million (US\$3.3 million). While the Company continues to seek a means of recovering this debt, it might be required to further provide against it. This would impact the Q4 2020 results. In its working capital forecasts, the Company has not anticipated the receipt of any settlement or payment in respect of this debt.

### **Updated Mineral Reserve and Resources**

The following information relates to updated Mineral Reserve and Resources in respect of the Palito and Sao Chico deposits, which have been estimated by the Company and are effective as of 31 August 2020. The Mineral Reserve and Resources for Coringa have not been updated.

#### Qualified Persons and Quality Control

The scientific and technical information contained in this news release pertaining to the Palito and Sao Chico gold deposits has been reviewed and approved by Michael Hodgson BSc, MSc FIMMM, who is a qualified person under National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101") and who has acted as the qualified person under the AIM Rules ("Qualified Person"):

The Qualified Person has verified the information disclosed herein, including the sampling, preparation, security and analytical procedures underlying the information or opinions contained in this announcement in accordance with standards appropriate to their qualifications.

#### Mineral Reserves and Resources

The Company estimates and discloses mineral reserves and resources using the definitions adopted by the Canadian Institute of Mining, Metallurgy and Petroleum, and in accordance with NI 43-101. Further details are available at [www.cim.org](http://www.cim.org). See the "Glossary of Geological and Mining Terms" for complete definitions of mineral reserves and mineral resources.

#### About Mineral Resources

Mineral resources are not mineral reserves and do not have demonstrated economic viability, but do have reasonable prospect for economic extraction. They fall into three categories: measured, indicated, and inferred. The reported mineral resources are stated inclusive of mineral reserves. Measured and indicated mineral resources are sufficiently well-defined to allow geological and grade continuity to be reasonably assumed, and permit the application of technical and economic parameters in assessing the economic viability of the mineral resource. Inferred mineral resources are estimated on limited information not sufficient to verify geological and grade continuity or to allow technical and economic parameters to be applied. Inferred mineral resources are too speculative geologically to have economic considerations applied to them. There is no certainty that mineral resources of any category will be upgraded to mineral reserves.

#### Important Information about Mineral Reserve and Resource Estimates

Whilst the Company takes all reasonable care in the preparation and verification of the mineral reserve and resource figures, the figures are estimates based in part on forward-looking information.

Estimates are based on management's knowledge, mining experience, analysis of drilling results, the quality of available data and management's best judgment. They are, however, imprecise by nature,

may change over time, and include many variables and assumptions including geological interpretation, commodity prices and currency exchange rates, recovery rates, and operating and capital costs.

There is no assurance that the indicated levels of metal will be produced, and the Company may have to re-estimate the mineral reserves based on actual production experience. Changes in the metal price, production costs or recovery rates could make it unprofitable to operate or develop a particular deposit for a period of time.

**Table 1 Condensed Mineral Resource Statement, Palito Mine, Para State, Brazil, Serabi Gold plc, August 31, 2020**

Classification	Quantity (000's t)	Grade Au (g/t)	Contained Metal Au (000's oz)
Measured	50	8.99	15
Indicated	1,000	4.88	157
Measured and Indicated	1,050	5.08	171
Inferred	943	3.66	111

- Mineral Resources are not Mineral Reserves and have not demonstrated economic viability.
- Mineral Resources are reported inclusive of Mineral Reserves.
- Figures are rounded to reflect the relative accuracy of the estimates.
- Mineral Resources are reported within classification domains inclusive of in situ dilution at cut-off grade of 3.10 g/t gold assuming an underground extraction scenario, a gold price of US\$1,500/oz, a 5.0:1 Brazilian Real to U.S. Dollar exchange rate and metallurgical recovery of 91%.
- Polygonal techniques were used for Resources estimates.
- Serabi is the operator and owns 100% of the Palito Mine such that gross and net attributable mineral resources are the same. The mineral resource estimate was prepared by the Company in accordance with the standard of CIM and NI 43-101, with an effective date of 31 August 2020, and audited and approved by Mr. Michael Hodgson, CEO of Serabi Gold plc, who is a Qualified Person under NI 43-101.

**Table 2 Condensed Mineral Resource Statement, São Chico Mine, Para State, Brazil, Serabi Gold plc, August 31, 2020**

Classification	Quantity (000's t)	Grade Au (g/t)	Contained Metal Au (000's oz)
Measured	17	7.73	4
Indicated	500	5.63	90
Measured and Indicated	517	5.69	94
Inferred	719	4.62	107

- Mineral Resources are not Mineral Reserves and have not demonstrated economic viability.
- Mineral Resources are reported inclusive of Mineral Reserves.
- Figures are rounded to reflect the relative accuracy of the estimates.
- Mineral Resources are reported within classification domains inclusive of in situ dilution at a cut-off grade of 2.85 g/t gold assuming an underground extraction scenario, a gold price of US\$1,500/oz, a 5.0:1 Brazilian Real to U.S. Dollar exchange rate and metallurgical recovery of 95%.
- Polygonal techniques were used for Resources estimates.
- Serabi is the operator and owns 100% of the Palito Mine such that gross and net attributable mineral resources are the same. The mineral resource estimate was prepared by the Company in accordance with the standard of CIM and NI 43-101, with an effective date of 31 August 2020, and audited and approved by Mr. Michael Hodgson, CEO of Serabi Gold plc, who is a Qualified Person under NI 43-101.

**Table 3 Mineral Reserves Statement, Palito Mine, Para State, Brazil, Serabi Gold plc, August 31, 2020**

Classification	Quantity (000's t)	Grade Au (g/t)	Contained Metal Au (000's oz)
Proven	57	7.82	15
Probable	172	7.33	41
Total Reserves	230	7.45	55

- Mineral Reserves have been rounded to reflect the relative accuracy of the estimates. Proven underground Mineral Reserves are reported within the Measured classification domain, and Probable underground Mineral Reserves are reported within the Indicated classification domain. Proven and Probable underground Mineral Reserves are inclusive of external mining dilution and mining loss and are reported at a cut-off grade of 3.70 g/t gold assuming an underground extraction scenario, a gold price of US\$1,500/oz, a 5.0:1 Brazilian Real to U.S. Dollar exchange rate, and metallurgical recovery of 91%.
- Serabi is the operator and owns 100% of the Palito Mine such that gross and net attributable mineral reserves are the same. The mineral reserve estimate was prepared by the Company in accordance with the standard of CIM and NI 43-101, with an effective date of 31 August 2020, and audited and approved by Mr. Michael Hodgson, CEO of Serabi Gold plc, who is a Qualified Person under NI 43-101.

**Table 4 Mineral Reserves Statement, São Chico Mine, Para State, Brazil, Serabi Gold plc, August 31, 2020**

Classification	Quantity (000's t)	Grade Au (g/t)	Contained Metal Au (000's oz)
Proven	21	5.94	4
Probable	49	8.84	13
Total Reserves	70	7.60	17

- Mineral Reserves have been rounded to reflect the relative accuracy of the estimates. Proven underground Mineral Reserves are reported within the Measured classification domain, and Probable underground Mineral Reserves are reported within the Indicated classification domain. Proven and Probable underground Mineral Reserves are inclusive of external mining dilution and mining loss and are reported at a cut-off grade of 3.45 g/t gold assuming an underground extraction scenario, a gold price of US\$1,500/oz, a 5.0:1 Brazilian Real to U.S. Dollar exchange rate, and metallurgical recovery of 95%.
- Serabi is the operator and owns 100% of the São Chico Mine such that gross and net attributable mineral reserves are the same. The mineral reserve estimate was prepared by the Company in accordance with the standard of CIM and NI 43-101, with an effective date of 31 August 2020, and audited and approved by Mr. Michael Hodgson, CEO of Serabi Gold plc, who is a Qualified Person under NI 43-101.

**The announcement should be read in its entirety. In particular, you should read and understand the information provided in the "Important Notice" section and the detailed terms and conditions described in the Appendix.**

#### **Market Abuse Regulation (MAR) Disclosure**

Prior to its publication, certain information contained within this announcement was deemed to constitute inside information for the purposes of Article 7 of EU Regulation 596/2014 ("MAR") as it

forms part of UK domestic law by virtue of the European (Withdrawal) Act 2018. In addition, market soundings (as defined in MAR) were taken in respect of the Placing with the result that certain persons became aware of inside information (as defined in MAR), as permitted by MAR. This inside information is set out in this Announcement and such information is now considered to be in the public domain. Accordingly, those persons that received inside information in a market sounding are no longer in possession of such inside information relating to the Company and its securities.

The person who arranged for the release of this announcement on behalf of the Company was Clive Line, Director.

#### **Enquiries:**

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#### **Details of the Placings**

The Placings are each being conducted through an accelerated bookbuilding process to be undertaken by Peel Hunt and Tamesis acting as Joint Bookrunners and Beacon acting as Manager. The books for the Placings will open with immediate effect. The Placings are subject to the terms and conditions set out in Appendix 1 (which forms part of this Announcement). The timing of the closing of the Bookbuilds and allocations are at the discretion of the Joint Bookrunners and the Company, provided that only subscribers for Placing Shares will be eligible to participate in the Warrant Placing and such subscribers

may only purchase one half a warrant for each Placing Share subscribed for (rounded down to the nearest whole warrant). The Warrant Subscription Price for the Warrants is £0.06 (C\$0.11) per Warrant and the Exercise Price for the Warrants will be £0.9375 (C\$1.65) per new ordinary share, subject to adjustment for certain corporate events. The Warrants will be exercisable for two years from their date of issue. A further announcement will be made as soon as practicable after the close of the Bookbuilds.

Neither of the Placings is being underwritten and they are each subject to the conditions and termination rights set out in the placing agreement between the Company, the Joint Bookrunners and the Manager (the "**Placing Agreement**"). Further details of the Placing Agreement can be found in the terms and conditions of the Placing contained in Appendix 1 of this Announcement.

The completion of the Placing is conditional upon inter alia, Admission becoming effective and the Redemption Agreement not being terminated prior to Admission. The Placing is not conditional upon the PrimaryBid Offer. The completion of the Warrant Placing and subscription for the Warrants is conditional upon inter alia, the Placing becoming effective and shareholder approval and payment of the Warrant Subscription Price. Neither the Placing nor the Warrant Placing is conditional upon the PrimaryBid Offer.

The Placing Shares and the PrimaryBid Offer Shares will rank *pari passu* with the existing issued Ordinary Shares.

Application will be made to the London Stock Exchange for the Placing Shares and the PrimaryBid Offer Shares to be admitted to trading on AIM. Recognising the obligations and requirements resulting from the listing of the shares of the Company in Canada, it is expected that Admission will take place at 8:00 a.m. on or around 9 March 2021 and in any event no later than 31 March 2021. Concurrently the Placing Shares and the PrimaryBid Offer Shares will be listed for trading on the TSX.

At the Company's AGM, the Shareholders approved a resolution providing the directors with the authority to allot up to 20 million shares in the Company. A further resolution was proposed and approved, with 85.5% of votes cast in favour, with the intention to disapply statutory pre-emption rights in respect of the allotment of up to 20 million shares for cash. Whilst this second resolution was passed, due to an administrative error, it is not effective for its purpose. Following consultation with its major Shareholders and its advisers, the Company has chosen a cashbox structure to implement the Placing to reflect the intention of the Company's Shareholders to approve the disapplication of statutory pre-emption rights at the AGM. Notwithstanding this, the Company intends to respect the principles of pre-emption as far as practicable by extending the offer to participate to a significant majority of Shareholders and, as far as practicable, allocating to existing Shareholders at least up to what would be their pre-emptive entitlement. This will also apply to existing retail Shareholders, who will be entitled to participate through the PrimaryBid platform.

In the event that Shareholder approval for the issue of the Warrants and any new Ordinary Shares upon exercise of the Warrants is not received at the annual general meeting, the Warrants will not be issued and the Company will receive no proceeds from the Warrant Placing.

Appendix 1 sets out further information relating to the Bookbuilds and the terms and conditions of the Placings.

#### **Expected timetable and principal events**

Announcement of the Fundraising	1 March 2021
Announcement of the results of the Placing, Warrant Placing and the PrimaryBid Offer	2 March 2021

Admission and dealings in the New Ordinary Shares expected to commence	9 March 2021
CREST stock accounts expected to be credited for New Ordinary Shares	9 March 2021
Annual General Meeting	No later than end of May 2021
Issue of the Warrants	2 Business days after the announcement of the passing of the resolutions at the Annual General Meeting

*The above times and/or dates may be subject to change and, in the event of such change, the revised times and/or dates will be notified to Shareholders by an announcement through a Regulatory Information Service. All references to times in this document are to London times.*

### **Background to and reasons for the Placings**

Following receipt of the Licencia Previa for the Coringa Project as announced on 28<sup>th</sup> September 2020, the Company wishes to pursue a placing to raise funds that will allow the Company to commence underground development of the mine ahead of receipt of an installation licence ("LI") which is expected before the end of 2021. Once in full production, the Coringa Project is expected to add approximately 38,000 oz per annum of production, moving the Company towards its targeted production of 100,000 oz of gold per annum.

The Preliminary Economic Assessment prepared by Global Resource Engineering, the Company's independent engineering consultant and published in September 2019, estimated an initial capital requirement of US\$24.7 million prior to sustained positive cash-flow being reached. The Company expects to use some of the proceeds of the Placing to fund initial mine development including establishing the mine portal. Construction of the process plant will be commenced following the issue of the LI which the Company expects to receive before the end of 2021. The Company anticipates that it will be able to finance the balance of the capital requirements for the full development of Coringa using a combination of debt and the cash flow being generated from its existing operations.

Assuming the LI is granted within the expected time frame and debt terms agreed, the Company expects that first gold production from the Coringa Project can be realised during 2023.

### **Use of proceeds**

The directors intend to use the proceeds from the Placing (exclusive of costs and commissions which will be met from existing resources) as follows:

<b>Use of the Placing proceeds</b>	
Repayment of remaining Equinox debt (including interest)	US\$6.6m
Regional exploration programme	US\$5.0m
Initial Coringa Project development capex	US\$3.4m
Redemption of the outstanding Convertible Loan Notes together with Interest and Fees	US\$2.5m
<b>Gross proceeds</b>	<b>US\$17.5m</b>

The Company is intending to repay the remaining portion of the deferred consideration owed to Equinox for the purchase of the Coringa Project. With the redemption of the Convertible Loan Notes, this will eliminate the debt obligations of the Company and release all security interests held by Equinox and Greenstone, allowing the Company to secure debt terms for the remaining capital required to develop the Coringa Project. In the near term, the proceeds of the Placing will allow the Company to undertake some initial underground mine development at the Coringa Project which management anticipate will provide enhanced understanding of the geometry of the mineralisation at the Coringa Project which should further de-risk the project for lenders.

The Company is also seeking to fund further regional exploration focussed on its existing exploration and mining tenements in the Tapajos region of Para, Brazil. The Company's exploration programmes during the next 12 months cover:

- Increasing the mineral resource in the immediate vicinity of its existing Palito and Sao Chico mining operations;
- Drilling and evaluation of the strike extensions of the gold mineralisation at both Palito and Sao Chico including the Cinderella zone to the south east of Sao Chico;
- Further drilling and evaluation of the Sao Domingo's tenement areas acquired by the Company in the fourth quarter of 2020;
- Initial drilling of the Calico prospect, located five kilometres to the south of Palito;
- Further evaluation of the Mata Cobra area which is a large east to west trending magnetic feature extending for over 14 kilometres. A regional geochemical sampling campaign in and around this Mata Cobra belt, has enhanced the prospectivity by the identification of an eight kilometre by two kilometre copper anomaly with analytical results over 100ppm, coincidental with the geophysical anomaly identified by the airborne EM. The Calico prospect lies within the contours of this 100ppm copper anomaly.

Any funds raised in the Warrant Placing and the PrimaryBid Offer will also be used for these purposes and general working capital.

### **Qualified Persons Statement**

The scientific and technical information (including the updated mineral reserve and resources) contained within this Announcement has been reviewed and approved by Michael Hodgson, a Director of the Company. Mr Hodgson is an Economic Geologist by training with over 30 years' experience in the mining industry. He holds a BSc (Hons) Geology, University of London, a MSc Mining Geology, University of Leicester and is a Fellow of the Institute of Materials, Minerals and Mining and a Chartered Engineer of the Engineering Council of UK, recognizing him as both a Qualified Person for the purposes of Canadian National Instrument 43-101 and by the AIM Guidance Note on Mining and Oil & Gas Companies dated June 2009.

### **IMPORTANT NOTICES**

**THIS ANNOUNCEMENT (INCLUDING THE APPENDIX) AND THE TERMS AND CONDITIONS SET OUT HEREIN (TOGETHER, THIS "ANNOUNCEMENT") IS FOR INFORMATION PURPOSES ONLY AND DOES NOT CONSTITUTE OR FORM ANY PART OF AN OFFER TO SELL OR ISSUE, OR A SOLICITATION OF AN OFFER TO BUY, SUBSCRIBE FOR OR OTHERWISE ACQUIRE ANY SECURITIES IN THE UNITED STATES (INCLUDING ITS TERRITORIES AND POSSESSIONS, ANY STATE OF THE UNITED STATES AND THE DISTRICT OF COLUMBIA (COLLECTIVELY, THE "UNITED STATES")), AUSTRALIA, THE REPUBLIC OF SOUTH AFRICA, JAPAN OR ANY OTHER JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION WOULD BE UNLAWFUL OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION. NO PUBLIC OFFERING OF THE PLACING SHARES IS BEING MADE IN ANY SUCH JURISDICTION. ANY**

**FAILURE TO COMPLY WITH THESE RESTRICTIONS MAY CONSTITUTE A VIOLATION OF THE SECURITIES LAWS OF SUCH JURISDICTIONS.**

Neither this Announcement, nor any copy of it, nor the information contained in it, is for publication, release, transmission distribution or forwarding, in whole or in part, directly or indirectly, in or into the United States, Australia, Japan or the Republic of South Africa or any other jurisdiction in which publication, release or distribution would be unlawful (or to any persons in any of those jurisdictions).

Neither the Placing Shares nor the Warrants have been, and will not be, registered under the US Securities Act of 1933, as amended (the "**US Securities Act**") or with any securities regulatory authority or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, resold, pledged, taken up, exercised, transferred or delivered, directly or indirectly, in or into the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with the securities laws of any state or other jurisdiction of the United States. No public offering of securities is being made in the United States.

Neither the Placing Shares nor the Warrants have been approved, disapproved or recommended by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Placing Shares or the Warrants.

Subject to certain exceptions, the securities referred to herein may not be offered or sold in the United States, Australia, Canada, Japan or the Republic of South Africa or to, or for the account or benefit of, any national, resident or citizen of the United States, Australia, Canada, Japan or the Republic of South Africa.

This Announcement is directed at and is only being distributed to: (a) persons in member states of the European Economic Area who are "qualified investors", as defined in Article 2(e) of the Prospectus Regulation (Regulation (EU) 2017/1129) (the "**Prospectus Regulation**") ("**Qualified Investors**"), (b) persons in the United Kingdom, who are qualified investors, being persons falling within the meaning of Article 2(e) of Prospectus Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Prospectus Regulation**"), and who (i) have professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**") or are high net worth companies, unincorporated associations or partnerships or trustees of high value trusts as described in Article 49(2)(a) to (d) of the Order and (ii) are Qualified Investors, or (c) otherwise, persons to whom it may otherwise lawfully be communicated (each such person in (a), (b) and (c), a "**Relevant Person**"). No other person should act on or rely on this Announcement and persons distributing this Announcement must satisfy themselves that it is lawful to do so. By accepting the terms of this Announcement, you represent and agree that you are a Relevant Person. This Announcement must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this Announcement or the Placing relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

This Announcement is not being distributed by, nor has it been approved for the purposes of section 21 of the Financial Services and Markets Act 2000, as amended ("**FSMA**") by, a person authorised under FSMA. This Announcement is being distributed and communicated to persons in the United Kingdom only in circumstances in which section 21(1) of FSMA does not apply.

No offering document or prospectus will be made available in any jurisdiction in connection with the matters contained or referred to in this Announcement or the Placing or the Warrant Placing and no such prospectus is required (in accordance with the Prospectus Regulation or the UK Prospectus Regulation) to be published. Members of the public are not eligible to take part in the Placing or the Warrant Placing

and no public offering of Placing Shares or Warrants is being or will be made in the United States, United Kingdom or elsewhere.

All offers of the Placing Shares and Warrants will be made pursuant to an exemption under the Prospectus Regulation and the UK Prospectus Regulation from the requirement to produce a prospectus.

This Announcement has been issued by, and is the sole responsibility of, the Company. No responsibility or liability is or will be accepted by, and no undertaking, representation or warranty or other assurance, express or implied, is or will be made or given by the Joint Bookrunners or Manager or by any of its partners, directors, officers, employees, advisers, consultants or affiliates as to, or in relation to, the accuracy, fairness or completeness of the information or opinions contained in this Announcement or any other written or oral information made available to or publicly available to any interested person or its advisers, and any liability therefore is expressly disclaimed. The information in this Announcement is subject to change.

Peel Hunt and Tamesis, who are authorised and regulated in the United Kingdom by the FCA, and Beacon, who are regulated in Canada by the Investment Industry Regulatory Organisation of Canada, are acting exclusively for the Company and no-one else in connection with the Placing and the Warrant Placing and the transactions and arrangements described in this Announcement and will not regard any other person (whether or not a recipient of this Announcement) as a client in relation to the Placing, the Warrant Placing or any other matter referred to in this Announcement.

Neither Peel Hunt, Tamesis or Beacon are responsible to anyone other than the Company for providing the protections afforded to clients of Peel Hunt, Tamesis or Beacon or for providing advice in connection with the contents of this Announcement, the Placing, the Warrant Placing or the transactions, arrangements and matters referred to herein.

None of the information in this Announcement has been independently verified or approved by the Joint Bookrunners or the Manager or any of their partners, directors, officers, employees, advisers, consultants or affiliates. Save for any responsibilities or liabilities, if any, imposed on the Joint Bookrunners or the Manager by FSMA or by the regulatory regime established under it, no responsibility or liability whatsoever whether arising in tort, contract or otherwise, is accepted by the Joint Bookrunners or the Manager or any of their respective partners, directors, officers, employees, advisers, consultants or affiliates whatsoever for the contents of the information contained in this Announcement (including, but not limited to, any errors, omissions or inaccuracies in the information or any opinions) or for any other statement made or purported to be made by or on behalf of the Joint Bookrunners or the Manager or any of their respective partners, directors, officers, employees, advisers, consultants or affiliates in connection with the Company, the Placing Shares, the Warrants or the Placing or the Warrant Placing or for any loss, cost or damage suffered or incurred howsoever arising, directly or indirectly, from any use of this Announcement or its contents or otherwise in connection with this Announcement or from any acts or omissions of the Company in relation to the Placing and/or the Warrant Placing. The Joint Bookrunners, the Manager and their partners, directors, officers, employees, advisers, consultants and affiliates accordingly disclaim all and any responsibility and liability whatsoever, whether arising in tort, contract or otherwise (save as referred to above) in respect of any statements or other information contained in this Announcement and no representation or warranty, express or implied, is made by the Joint Bookrunner or the Manager or any of its partners, directors, officers, employees, advisers, consultants or affiliates as to the accuracy, completeness or sufficiency of the information contained in this Announcement.

Beaumont Cornish is authorised and regulated in the United Kingdom by the FCA. Beaumont Cornish's responsibilities as the Company's nominated adviser under the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or to any other person.

The distribution of this Announcement and the offering of the Placing Shares and/or the Warrants in certain jurisdictions may be restricted by law. No action has been taken by the Company, the Joint Bookrunners or the Manager or any of its affiliates that would permit an offering of the Placing Shares or the Warrants or possession or distribution of this Announcement or any other offering or publicity material relating to the Placing Shares and/or the Warrants in any jurisdiction where action for that purpose is required. Persons into whose possession this Announcement comes are required by the Company and the Joint Bookrunners and the Manager to inform themselves about, and to observe, such restrictions.

Persons distributing this Announcement must satisfy themselves that it is lawful to do so. Persons (including without limitation, nominees and trustees) who have a contractual right or other legal obligations to forward a copy of this Announcement (or any part thereof) should seek appropriate advice before taking any action.

In connection with the Placings, the Joint Bookrunners and the Manager and any of their affiliates, acting as investors for their own account, may take up a portion of the shares in the Placing and/or the Warrant Placing as a principal position and in that capacity may retain, purchase, sell, offer to sell for the own accounts or otherwise deal for their own account in such shares and other securities of the Company or related investments in connection with the Placing or otherwise. Accordingly, references to Placing Shares or Warrants being offered, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or acquisition, placing or dealing by, the Joint Bookrunners, the Manager and their affiliates acting in such capacity. In addition, the Joint Bookrunners and the Manager and any of their affiliates may enter into financing arrangements (including swaps) with investors in connection with which the Joint Bookrunners and the Manager and any of their affiliates may from time to time acquire, hold or dispose of shares or other securities. The Joint Bookrunners and the Manager do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

This Announcement may contain and the Company may make verbal statements containing "forward-looking statements" with respect to certain of the Company's plans and its current goals and expectations relating to its future financial condition, performance, strategic initiatives, objectives and results. Forward-looking statements sometimes use words such as "aim", "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "seek", "may", "could", "outlook" or other words of similar meaning. By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond the control of the Company. As a result, the actual future financial condition, performance and results of the Company may differ materially from the plans, goals and expectations set forth in any forward-looking statements. Any forward-looking statements made in this Announcement by or on behalf of the Company speak only as of the date they are made. These forward-looking statements reflect the Company's judgment at the date of this Announcement and are not intended to give any assurance as to future results and cautions that its actual results of operations and financial condition, and the development of the industry in which it operates, may differ materially from those made in or suggested by the forward-looking statements contained in this Announcement and/or information incorporated by reference into this Announcement. The information contained in this Announcement is subject to change without notice and except as required by applicable law or regulation, each of the Company, the Joint Bookrunners and the Manager expressly disclaim any obligation or undertaking to publish any updates, supplements or revisions to any forward-looking statements contained in this Announcement to reflect any changes in the Company's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statements are based, except where required to do so under applicable law or regulation.

This Announcement does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in the Placing Shares or the Warrants. Any investment decision to buy Placing Shares in the Placing or Warrants in the Warrant Placing must be made solely on the basis of publicly available information, which has not been independently verified by the Joint Bookrunners or the Manager.

This Announcement does not constitute a prospectus or offering memorandum or an offer in respect of any securities and is not intended to provide the basis for any decision in respect of the Company or other evaluation of any securities of the Company or any other entity and should not be considered as a recommendation that any investor should subscribe for, purchase, otherwise acquire, sell or otherwise dispose of any such securities. Recipients of this Announcement who are considering acquiring Placing Shares pursuant to the Placing and/or Warrants pursuant to the Warrant Placing are reminded that they should conduct their own investigation, evaluation and analysis of the business, data and property described in this Announcement. The price and value of securities can go down as well as up and investors may not get back the full amount invested upon the disposal of the shares. Past performance is not a guide to future performance. The contents of this Announcement are not to be construed as legal, business, financial or tax advice. Each investor should consult with his or her or its own legal adviser, business adviser, financial adviser or tax adviser for legal, financial, business or tax advice.

Any indication in this Announcement of the price at which the Company's shares have been bought or sold in the past cannot be relied upon as a guide to future performance. Persons needing advice should consult an independent financial adviser. No statement in this Announcement is intended to be a profit forecast or profit estimate for any period and no statement in this Announcement should be interpreted to mean that earnings, earnings per share or income, cash flow from operations or free cash flow for the Company for the current or future financial periods would necessarily match or exceed the historical published earnings, earnings per share or income, cash flow from operations or free cash flow for the Company.

References in this Announcement to other reports or materials, such as a website address, have been provided to direct the reader to other sources of information on the Company which may be of interest.

Neither the content of the Company's website (or any other website) nor the content of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into or forms part of this Announcement.

The Placing Shares to be issued or sold pursuant to the Placing will not be admitted to trading on any stock exchange other than AIM and the Toronto Stock Exchange ("**TSX**"). The Warrants will not be transferable and will not be admitted to trading on any stock exchange.

The Appendix to this Announcement (which forms part of this Announcement) sets out further information relating to the terms and conditions of the Placing, the Warrant Placing and the Bookbuilds. Persons who choose to participate in the Placing or the Placing and the Warrant Placing, by making an oral or written offer to subscribe for Placing Shares or Placing Shares and Warrants, will be deemed to have read and understood this Announcement in its entirety (including the Appendix) and to be making such offer on the terms and subject to the conditions in this Announcement and to be providing the representations, warranties, agreements, acknowledgements and undertakings contained in the Appendix.

### **Information to Distributors on the Placing**

Solely for the purposes of the product governance requirements of Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the UK MiFIR Product Governance Requirements) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that the Placing Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, as respectively defined in paragraphs 3.5 and 3.6 of COBS; and (ii) eligible for distribution through all permitted distribution channels (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the Placing Shares may decline and investors could lose all or part of their investment; the Placing Shares offer no guaranteed income and no capital protection; and an investment in the Placing Shares is compatible only with investors who do not need

a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Joint Bookrunners and Beacon will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Chapters 9A or 10A respectively of COBS; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Placing Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Placing Shares and determining appropriate distribution channels.

### **Information to Distributors on the Warrant Placing**

Solely for the purposes of the product governance requirements of Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the UK MiFIR Product Governance Requirements) may otherwise have with respect thereto, the Warrants have been subject to a product approval process, which has determined that the Warrants are: (i) compatible with an end target market of investors who meet the criteria of professional clients and eligible counterparties, as respectively defined in paragraphs 3.5 and 3.6 of COBS; and (ii) eligible for distribution through all permitted distribution channels (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, Distributors should note that: the value of the Warrants and the new Ordinary Shares into which they may convert may decline and investors could lose all or part of their investment; the Warrants offer no guaranteed income and no capital protection; and an investment in the Warrants is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to any contractual, legal or regulatory selling restrictions in relation to the Warrant Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Joint Bookrunners and Beacon will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Chapters 9A or 10A respectively of COBS; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Warrants. Each distributor is responsible for undertaking its own target market assessment in respect of the Placing Shares and determining appropriate distribution channels.

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

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

The exchange rates used in respect of the Placings are £1:US\$1.3976 and £1:C\$1.7580

## **Appendix I**

### **Terms and Conditions of the Placings for invited Placees only**

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING OR THE WARRANT PLACING. THIS ANNOUNCEMENT (INCLUDING THE APPENDICES) AND THE TERMS AND CONDITIONS SET OUT HEREIN (THE "**ANNOUNCEMENT**") IS FOR INFORMATION PURPOSES ONLY AND IS DIRECTED ONLY AT PERSONS WHOSE ORDINARY ACTIVITIES INVOLVE THEM IN ACQUIRING, HOLDING, MANAGING AND DISPOSING OF INVESTMENTS (AS PRINCIPAL OR AGENT) FOR THE PURPOSES OF THEIR BUSINESS AND WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND ARE: (A) IF IN A MEMBER STATE OF THE EUROPEAN ECONOMIC AREA (THE "**EEA**"), PERSONS WHO ARE QUALIFIED INVESTORS ("**EEA QUALIFIED INVESTORS**"), BEING PERSONS FALLING WITHIN THE MEANING OF ARTICLE 2(E) OF PROSPECTUS REGULATION (EU) 2017/1129 (THE "**PROSPECTUS REGULATION**"); OR (B) IF IN THE UNITED KINGDOM, PERSONS WHO ARE QUALIFIED INVESTORS ("**UK QUALIFIED INVESTORS**"), BEING PERSONS FALLING WITHIN THE MEANING OF ARTICLE 2(E) OF PROSPECTUS REGULATION (EU) 2017/1129 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (THE "**UK PROSPECTUS REGULATION**"), AND WHO ARE (I) PERSONS FALLING WITHIN THE DEFINITION OF "INVESTMENT PROFESSIONAL" IN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE "**ORDER**"), OR (II) PERSONS WHO FALL WITHIN ARTICLE 49(2)(A) TO (D) (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC) OF THE ORDER, OR (C) PERSONS TO WHOM IT MAY OTHERWISE BE LAWFULLY COMMUNICATED (ALL SUCH PERSONS REFERRED TO IN (A), (B) AND (C) ABOVE TOGETHER BEING REFERRED TO AS "**RELEVANT PERSONS**").

THIS ANNOUNCEMENT MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. PERSONS DISTRIBUTING THIS ANNOUNCEMENT MUST SATISFY THEMSELVES THAT IT IS LAWFUL TO DO SO. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS ANNOUNCEMENT RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. THIS ANNOUNCEMENT DOES NOT ITSELF CONSTITUTE AN OFFER FOR SALE OR SUBSCRIPTION OF ANY SECURITIES IN THE COMPANY.

EACH PLACEE SHOULD CONSULT WITH ITS OWN ADVISERS AS TO LEGAL, TAX, BUSINESS, ACCOUNTING AND RELATED ASPECTS OF AN INVESTMENT IN THE PLACING SHARES.

NONE OF THE PLACING SHARES, THE WARRANTS OR THE ORDINARY SHARES TO BE ISSUED ON EXERCISE OF THE WARRANTS ("**WARRANT SHARES**") HAVE BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**US SECURITIES ACT**"), OR UNDER THE SECURITIES LAWS OF, OR WITH ANY SECURITIES REGULATORY AUTHORITY OF, ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN, INTO OR WITHIN THE UNITED STATES (INCLUDING ITS TERRITORIES AND DEPENDENCIES, ANY STATE OF THE UNITED STATES AND THE DISTRICT OF COLUMBIA) (SUBJECT TO CERTAIN LIMITED EXCEPTIONS). THE PLACING SHARES AND WARRANTS MAY ONLY BE OFFERED OR SOLD (I) OUTSIDE THE UNITED STATES IN "OFFSHORE TRANSACTIONS" AS DEFINED IN AND PURSUANT TO REGULATIONS UNDER THE US SECURITIES ACT ("**REGULATION S**"); OR (II) WITHIN THE UNITED STATES TO A LIMITED NUMBER OF INVESTORS REASONABLY BELIEVED TO BE "QUALIFIED INSTITUTIONAL BUYERS" ("**QIBS**") AS DEFINED IN RULE 144A UNDER THE US SECURITIES ACT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE US SECURITIES ACT.

NO PUBLIC OFFERING OF THE SHARES OR WARRANTS REFERRED TO IN THIS ANNOUNCEMENT IS BEING MADE IN THE UNITED KINGDOM, CANADA, THE UNITED STATES OR ANY OTHER RESTRICTED TERRITORY OR ELSEWHERE.

Unless otherwise stated, capitalised terms in this Appendix have the meanings ascribed to them in Appendix 2.

This Announcement is for information purposes only and does not itself constitute or form part of an offer to sell or issue or the solicitation of an offer to buy or subscribe for securities referred to herein in any jurisdiction including, without limitation, the United States (including its territories and dependencies, any state of the United States and the District of Columbia), Australia, South Africa or Japan (each a "**Restricted Territory**") or in any other jurisdiction where such offer or solicitation is unlawful. No public offering of securities will be made in connection with the Placing in the United Kingdom, Canada, the United States, South Africa, Japan or any other Restricted Territory or elsewhere.

This Announcement, and the information contained herein, is not for release, publication or distribution, directly or indirectly, to persons in any Restricted Territory or in any other jurisdiction in which such release, publication or distribution is unlawful. The distribution of this Announcement and the Placings and/or the offer or sale of the Placing Shares and/or Warrants in certain jurisdictions may be restricted by law. No action has been taken by the Company, Peel Hunt LLP ("**Peel Hunt**"), Tamesis Partners LLP ("**Tamesis**" and, together with Peel Hunt, the "**Joint Bookrunners**"), Beacon Securities Limited ("**Beacon**" in its capacity as "**Manager**") or any of their respective Affiliates, or any of their, or their respective Affiliates', directors, officers, members, employees, agents or advisers which would permit an offer of the Placing Shares or Warrants or possession or distribution of this Announcement or any other offering or publicity material relating to such Placing Shares or Warrants in any jurisdiction where action for that purpose is required. Persons distributing any part of this Announcement must satisfy themselves that it is lawful to do so. Persons (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward a copy of this Announcement should seek appropriate advice before taking any such action. Persons into whose possession this Announcement comes are required by each of the Company, the Joint Bookrunners and the Manager to inform themselves about, and to observe, any such restrictions.

All offers of the Placing Shares and Warrants will be made pursuant to an exemption from the requirement to produce a prospectus under either the Prospectus Regulation or the UK Prospectus Regulation, as applicable. This Announcement is being distributed and communicated to persons in the UK only in circumstances to which section 21(1) of the Financial Services and Markets Act 2000, as amended ("**FSMA**") does not apply.

Neither of the Placings has been approved and will not be approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission or any other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the Placings or the accuracy or adequacy of this Announcement. Any representation to the contrary is a criminal offence in the United States.

Subject to certain exceptions, the securities referred to in this Announcement may not be offered or sold in any Restricted Territory or in any other jurisdiction where such offer or sale is unlawful or to, or for the account or benefit of, a citizen or resident, or a corporation, partnership or other entity created or organised in or under the laws of a Restricted Territory or in any other jurisdiction where such offer or sale is unlawful.

#### **NOTICE TO CANADIAN INVESTORS**

No offer of securities is made pursuant to this Announcement in Canada except to a person who has represented to the Company, the Joint Bookrunners and the Manager that such person: (i) is purchasing as principal, or is deemed to be purchasing as principal in accordance with applicable Canadian securities laws, for investment only and not with a view to resale or distribution; and (ii) is an "accredited investor" as such term is defined in section 1.1 of National Instrument 45-106 Prospectus Exemptions or, in Ontario, as such term is defined in section 73.3(1) of the *Securities Act* (Ontario). The Placing Shares and the Warrants are being sold in Canada in reliance on an exemption or exemptions from the requirements to provide the relevant Placees with a prospectus and, as a consequence of acquiring securities pursuant to this exemption or exemptions, certain protections, rights and remedies provided by the applicable Canadian securities laws will not be available to the relevant Placee. The Placing

Shares, the Warrants and the Warrant Shares will be subject to statutory resale restrictions under the applicable Canadian securities laws and any resale of the Placing Shares, the Warrants and the Warrant Shares must be made in accordance with such resale restrictions or in reliance on an available exemption therefrom. The Placee is solely responsible (and Company not in any way responsible) for compliance with applicable securities laws in the resale of any Placing Shares, the Warrants and the Warrant Shares.

This Announcement has been issued by, and is the sole responsibility of, the Company. No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by either of the Joint Bookrunners or the Manager or any of their respective Affiliates, or any of their or their respective Affiliates' directors, officers, employees, agents or advisers as to or in relation to, the accuracy or completeness of this Announcement or any other written or oral information made available to or publicly available to any party or its advisers, and any liability therefore is expressly disclaimed.

The Joint Bookrunners and the Manager are acting exclusively for the Company and no-one else in connection with the Placings and are not, and will not be, responsible to anyone (including the Placees) other than the Company for providing the protections afforded to their clients nor for providing advice in relation to the Placings and/or any other matter referred to in this Announcement.

None of the Company, the Joint Bookrunners, the Manager nor their respective Affiliates, nor any of their, or their respective Affiliates', directors, officers, employees, agents or advisers, makes any representation or warranty, express or implied to any Placees regarding any investment in the securities referred to in this Announcement under the laws applicable to such Placees. Each Placee should consult its own advisers as to the legal, tax, business, financial and related aspects of an investment in the Placing Shares and/or Warrants.

**By participating in the Placing or the Placing and the Warrant Placing, Placees (including individuals, funds or otherwise) by whom or on whose behalf a commitment to acquire Placing Shares or Placing Shares and Warrants has been given will (i) be deemed to have read and understood this Announcement, in its entirety; and (ii) be making such offer on the terms and conditions contained in this Appendix, including being deemed to be providing (and shall only be permitted to participate in the Placing on the basis that they have provided) the representations, warranties, indemnities, acknowledgements and undertakings set out herein.**

In particular, each such Placee represents, warrants, undertakes, agrees and acknowledges that:

- (a) it is an Relevant Person and undertakes that it will acquire, hold, manage or dispose of any Placing Shares and Warrants that are allocated to it for the purposes of its business;
- (b) except as otherwise permitted by the Company, the Joint Bookrunners and the Manager and subject to any available exemptions from applicable securities laws, it and any account with respect to which it exercises sole investment discretion, is either (i) located outside the United States subscribing for the Placing Shares as part of "offshore transactions" as defined in and in reliance on Regulation S under the US Securities Act, or (ii) is a "qualified institutional buyer" ("**QIB**") as defined in Rule 144A under the US Securities Act; and
- (c) if it is a financial intermediary, as that term is used in Article 2(d) of the Prospectus Regulation or the UK Prospectus Regulation, as applicable, that it understands the resale and transfer restrictions set out in this Appendix and that any Placing Shares acquired by it in the Placing and any Warrants acquired by it in the Warrant Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of securities to the public other than an offer or resale in a member state of the EEA to EEA Qualified Investors or in the United Kingdom to Relevant Persons, or in circumstances in which the prior consent of the Joint Bookrunners has been given to each such proposed offer or resale.

**IMPORTANT INFORMATION FOR PLACEES ONLY REGARDING THE PLACINGS**

Defined terms used in this Appendix 1 are set out in Appendix 2.

## **Bookbuild**

Following the release of this Announcement, the Joint Bookrunners and the Manager will commence an accelerated bookbuilding process in respect of the Placing and in respect of the Warrant Placing (the "**Bookbuilds**" and each a Bookbuild) to determine demand for participation in the Placings by Placees. The books will open with immediate effect following release of this Announcement. No commissions will be paid to Placees or by Placees in respect of any Placing Shares or Warrants. Members of the public are not entitled to participate in the Placing or the Warrant Placing. This Appendix gives details of the terms and conditions of, and the mechanics of participation in, the Placings.

The Joint Bookrunners, the Manager and the Company shall be entitled to effect each of the Placings by such alternative method to the Bookbuild as they may, in their absolute discretion, determine. To the extent that the Joint Bookrunners and the Manager do not procure subscribers for Placing Shares or Warrants, the Joint Bookrunners and the Manager will not be required itself to subscribe for such shares or warrants.

## **Details of the Placing Agreement, the Placing Shares and the Warrants**

The Joint Bookrunners and the Manager are acting as placement agents in connection with the Placings. The Joint Bookrunners and the Manager have entered into an agreement with the Company (the "**Placing Agreement**") under which, subject to the conditions set out therein, the Joint Bookrunners and the Manager have agreed, as agents for the Company, severally to use reasonable endeavours to procure Placees for Placing Shares at a price of £0.75 (C\$1.32) per Placing Share (the "**Placing Price**") and for warrants on the Warrant Subscription Date at a subscription price of £0.06 (C\$0.11) per warrant ("**Warrant Subscription Price**") such warrants having an exercise price of £0.9375 (C\$1.65) per new ordinary share, subject to adjustment for certain corporate events ("**Exercise Price**") and an exercise period of two years from their date of issue ("**Warrants**"). The number of Placing Shares in the Placing and the number of Warrants in the Warrant Placing will be determined following completion of the Bookbuilds and set out in a term sheet to be entered into between Joint Bookrunners and the Company (the "**Term Sheet**"). The final number of Placing Shares and Warrants and their respective allocations will be decided at the close of the Bookbuild. The timing of the closing of the books will be at the discretion of the Joint Bookrunners. Details of the number of Placing Shares and Warrants will be announced as soon as practicable after the close of the Bookbuilds.

The Placing Shares have been or will be duly authorised and will, when issued, be credited as fully paid and will rank pari passu in all respects with the existing Ordinary Shares and the PrimaryBid Offer Shares (as defined below), including the right to receive all dividends and other distributions declared, made or paid in respect of the Ordinary Shares after their date of issue. The Placing Shares will be issued free of any encumbrances, liens or other security interests.

The Placing will be effected by way of a placing of new Ordinary Shares in the Company for non-cash consideration. Peel Hunt will subscribe for ordinary shares and redeemable preference shares in Project Angus (Jersey) Limited ("**JerseyCo**"), a wholly owned subsidiary of the Company, for an amount approximately equal to the gross proceeds of the Placing. The Company will allot and issue the Placing Shares on a non-pre-emptive basis to Placees in consideration for the transfer to the Company by Peel Hunt of the ordinary shares and redeemable preference shares in JerseyCo that will be issued to Peel Hunt. Following such transfer (and any equivalent transfer in respect of the PrimaryBid Offer), the Company will own all of the issued ordinary and redeemable preference shares of JerseyCo, whose only asset will be its cash reserves, which will represent an amount approximately equal to the gross proceeds of the Placing (less any costs deducted by Peel Hunt, or amounts set-off by Peel Hunt in respect of defaulting placees) (and the gross proceeds of the PrimaryBid Offer).

In addition to the Placings, the Company intends to make an offer on the Primary Bid platform of new Ordinary Shares, the PrimaryBid Offer Shares at the Placing Price. The PrimaryBid Offer is conditional on the Placing but the Placing is not conditional on the PrimaryBid Offer. The Joint Bookrunners and

the Manager are acting as placement agents only in connection with the Placing and are not acting for any person, including the Company in respect of the PrimaryBid Offer.

The Placing is not conditional upon the PrimaryBid Offer or the Warrant Placing. The Warrant Placing is conditional amongst other things on the Placing and upon Shareholder approval.

### **Application for Admission to Trading on AIM and Listing on the TSX**

Application will be made to London Stock Exchange plc ("**LSE**") for the Placing Shares and the PrimaryBid Offer Shares to be admitted to trading on the AIM Market of the LSE ("**AIM**") ("**Admission**"). Application has also been made to list the Placing Shares and the PrimaryBid Offer Shares on the Toronto Stock Exchange ("**TSX**"). It is expected that Admission will take place at 8.00 am on 9 March 2021 (or such later date as may be agreed between the Company and the Joint Bookrunners, provided that such date is no later than the Long Stop Date). The listing of the Placing Shares on the TSX is expected to occur prior to the commencement of trading on the date of Admission.

The Warrants will not be transferable and will not be listed on AIM, the Toronto Stock Exchange or any other exchange or market.

### **Participation in, and principal terms of, the Placings**

1. The Joint Bookrunners and the Manager are arranging the Placings severally, and not jointly, nor jointly and severally, as agents of the Company. Participation in the Placing will only be available to persons who may lawfully be, and are, invited to participate by either of the Joint Bookrunners or the Manager. Participation in the Warrant Placing will only be available to persons who are invited to participate in the Placing and such persons may purchase one half a warrant for each Placing Share subscribed for (rounded down to the nearest whole warrant). Each of the Joint Bookrunners, the Manager and their respective Affiliates are entitled to enter bids as principal in the Bookbuilds.
2. The Bookbuilds, if successful, will establish the number of Placing Shares and Warrants which will be included in the Placings. The number of Placing Shares and Warrants and the aggregate proceeds to be raised through the Placings will be agreed between the Joint Bookrunners and the Company following completion of the Bookbuilds.
3. To bid in a Bookbuild, Placees should communicate their bid by telephone or in writing to their usual sales contact at one of the Joint Bookrunners or the Manager. Each bid should state the number of Placing Shares which the prospective Placee wishes to acquire and whether and if so the number of Warrants which the prospective Placee wishes to acquire which shall not be greater than half of the number of Placing Shares which the prospective Placee wishes to acquire. Bids in either or both Bookbuilds may be scaled down by the Joint Bookrunners on the basis referred to in paragraph 6 below.
4. The Bookbuilds are expected to close no later than 12:00 noon (London time) on 2 March 2021, being the first Business Day after date of this Announcement, but may be closed earlier or later, at the absolute discretion of the Joint Bookrunners. The Joint Bookrunners may, in agreement with the Company, accept bids that are received after the relevant Bookbuild has closed.
5. Each Placee's allocation will be confirmed to Placees either orally or by email by the relevant Joint Bookrunner or the Manager following the close of the Bookbuild, and a contract note will be dispatched as soon as possible thereafter. Subject to paragraph 7 below, the relevant Joint Bookrunner's or the Manager's oral confirmation to such Placee will constitute an irrevocable legally binding commitment upon such person (who will at that point become a Placee) in favour of such Joint Bookrunner or the Manager and the Company, under which such Placee agrees to acquire the number of Placing Shares and Warrants allocated to it and to pay the Placing Price and the Warrant Subscription Price on the terms and conditions set out in this Appendix.
6. Subject to paragraphs 2 and 3 above, the Joint Bookrunners will, in effecting the Placings, agree with the Company the identity of the Placees and the basis of allocation of the Placing Shares and Warrants and may scale down any bids for this purpose on such basis as they may

determine. The Joint Bookrunners may also, notwithstanding paragraphs 2 and 3 above and subject to the prior consent of the Company, (i) allocate Placing Shares and/or Warrants after the time of any initial allocation to any person submitting a bid after that time and (ii) allocate Placing Shares and/or Warrants after the relevant Bookbuild has closed to any person submitting a bid after that time. The acceptance of offers shall be at the absolute discretion of the Joint Bookrunners.

7. A bid in a Bookbuild will be made on the terms and subject to the conditions in this Appendix and will be legally binding on the Placee on behalf of which it is made and, except with the Joint Bookrunners' and the Company's consent, will not be capable of variation or revocation after the time at which it is submitted. Each Placee will also have an immediate, separate, irrevocable and binding obligation, owed to the relevant Joint Bookrunner or the Manager, to pay it (or its assignee or as it may direct) in cleared funds an amount equal to the product of the Placing Price and the number of Placing Shares that such Placee has agreed to acquire and amount equal to the product of the Warrant Subscription Price and the number of warrants that such Placee has agreed to acquire. Such Placees' obligations will be owed to the relevant Joint Bookrunner or the Manager.
8. Except as required by law or regulation, no press release or other announcement will be made by any of the Joint Bookrunners, the Manager or the Company using the name of any Placee (or its agent), in its capacity as Placee (or agent), other than with such Placee's prior written consent.
9. Irrespective of the time at which a Placee's allocation(s) pursuant to the Placing(s) is/are confirmed, settlement for all Placing Shares and where applicable Warrants to be acquired pursuant to the Placings will be required to be made at the same time, on the basis explained below under "Registration and settlement".
10. All obligations under the Bookbuilds and the Placings will be subject to satisfaction, fulfilment or (where applicable) waiver of the conditions referred to below under "Conditions of the Placing" and "Conditions of the Warrant Placing" and to the Placing not being terminated and in the case of the Warrants, the Warrant Placing not being terminated, in each case on the basis referred to below under "Termination of the Placing Agreement".
11. By participating in a Bookbuild, each Placee agrees that its rights and obligations in respect of the Placings or the Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee after confirmation (oral or otherwise) by one of the Joint Bookrunners or the Manager.
12. To the fullest extent permissible by law, none of the Joint Bookrunners, the Manager, the Company or any of their respective Affiliates shall have any responsibility or liability to Placees (or to any other person whether acting on behalf of a Placee or otherwise). In particular, none of the Joint Bookrunners, nor the Manager, nor the Company, nor any of their respective Affiliates shall have any responsibility or liability (including to the extent permissible by law, any fiduciary duties) in respect of the Joint Bookrunners' or the Manager's conduct of the Bookbuilds (or either of them) or of such alternative method of effecting the Placing or Warrant Placing as the Joint Bookrunners, the Manager, their respective Affiliates and the Company may agree or determine.

### **Conditions of the Placings**

The Placing is conditional upon the Placing Agreement becoming unconditional in respect of the Placing and not having been terminated in accordance with its terms. The Joint Bookrunners' and the Manager's obligations under the Placing Agreement with respect to the Placing and the Warrant Placing are conditional on certain conditions, including (without limitation):

1. the Company complying with its obligations under the Placing Agreement to the extent that the same fall to be performed prior to Admission;
2. the Redemption Agreement not being terminated prior to Admission;

3. the representations and warranties of the Company contained in the Placing Agreement being true and accurate and not misleading on and as of the date of the Placing Agreement, the date of the Term Sheet and the date of Admission, as though they had been given and made on such dates by reference to the facts and circumstances then subsisting; and
4. Admission taking place by not later than 8.00 a.m. on 9 March 2021 (or such later time and/or date as may be agreed between the Company and the Joint Bookrunners, being not later than the Long Stop Date).

If: (i) any of the conditions contained in the Placing Agreement, including (without limitation) those described above, are not fulfilled or (where applicable) waived by the Joint Bookrunners by the relevant time or date specified (or such later time or date as the Company and the Joint Bookrunners may agree); or (ii) the Placing Agreement is terminated in the circumstances specified below, the Placing and the Warrant Placing will lapse and the Placees' rights and obligations hereunder in relation to the Placing Shares and Warrants shall cease and terminate at such time and each Placee agrees that no claim can be made by it in respect thereof.

The Warrant Placing is conditional upon the Placing Agreement becoming unconditional in respect of the Warrant Placing and not having been terminated in accordance with its terms in respect of the Warrant Placing. The Joint Bookrunners' and the Manager's obligations under the Placing Agreement in respect of the Warrant Placing are conditional on certain conditions, including (without limitation):

1. Admission;
2. the posting of a circular to shareholders convening a meeting to consider the Shareholder Resolutions no later than the end of April 2021;
3. the passing of the Shareholder Resolutions by the requisite majorities;
4. the Company complying with its obligations under the Placing Agreement to the extent that the same fall to be performed prior to the issue of the Warrants;
5. the representations and warranties of the Company contained in the Placing Agreement being true and accurate and not misleading on and as of the date of the Placing Agreement, the date of the Term Sheet and the date of Admission, and the issue of the Warrants as though they had been given and made on such dates by reference to the facts and circumstances then subsisting; and
6. the issue of the Warrants taking place by not later than 8.00 a.m. on the second Business Day after the passing of the Shareholder Resolutions (or such later time and/or date as may be agreed between the Company and the Joint Bookrunners, being not later than the Warrant Long Stop Date).

If: (i) any of the conditions contained in the Placing Agreement, including (without limitation) those described above, are not fulfilled or (where applicable) waived by the Joint Bookrunners by the relevant time or date specified (or such later time or date as the Company and the Joint Bookrunners may agree); or (ii) the Placing Agreement is terminated in respect of the Warrant Placing in the circumstances specified below, in each case following Admission, the Warrant Placing will lapse and the Placees' rights and obligations hereunder in relation to the Warrants shall cease and terminate at such time and each Placee agrees that no claim can be made by it in respect thereof.

The Joint Bookrunners may, at their absolute discretion (acting jointly and in good faith) waive compliance by the Company with the whole or any part of any of the Company's obligations in relation to the conditions in the Placing Agreement (either generally or, following Admission, in respect of the Warrant Placing and in each case to the extent that the Joint Bookrunners are capable of waiving such condition). Any such extension or waiver will not affect Placees' commitments as set out in this Announcement.

Neither of the Company, the Joint Bookrunners nor any of their respective Affiliates, nor any of its or their respective Affiliates' directors, officers, employees, agents or advisers shall have any liability to

any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision it or another person may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any condition to the Placing and/or the Warrant Placing nor for any decision it may make as to the satisfaction of any condition or in respect of a Placing generally and by participating in a Placing each Placee agrees that any such decision is within the absolute discretion of the Joint Bookrunners.

By participating in the Bookbuild, each Placee agrees that its rights and obligations hereunder terminate only in the circumstances described above and under "Termination of the Placing Agreement" below, and will not be capable of rescission or termination by the Placee.

### **Termination of the Placing Agreement**

The Joint Bookrunners are entitled at any time before Admission, to terminate the Placing Agreement in accordance with its terms in certain circumstances, including, *inter alia*, if:

1. if the Company has failed to comply with any of its obligations contained in the Placing Agreement; or
2. any of the representations or warranties of the Company contained in the Placing Agreement was, when given, untrue, inaccurate or misleading or is not, or has ceased to be, true, accurate or not misleading (or would not be true, accurate or not misleading if then repeated) by reference to the facts subsisting at the time; or
3. any of the Conditions of the Placing have (i) become incapable of satisfaction or (ii) not been satisfied before the latest time provided in the Placing Agreement and have not been waived if capable of being waived by the Joint Bookrunners; or
4. there has occurred, in the Joint Bookrunner's opinion, acting in good faith, a Material Adverse Change (as defined in the Placing Agreement); or
5. the occurrence of a market disruption or force majeure events, each as specified in the Placing Agreement.

The Joint Bookrunners are entitled at any time following Admission but before the issue of the Warrants, to terminate the Placing Agreement in respect of the Warrant Placing in accordance with its terms in certain circumstances, including, *inter alia*, if:

1. if Admission has not occurred in accordance with the terms of the Placing Agreement
2. if the Company has failed to comply with any of its obligations contained in the Placing Agreement; or
3. any of the representations or warranties of the Company contained in the Placing Agreement was, when given, untrue, inaccurate or misleading or is not, or has ceased to be, true, accurate or not misleading (or would not be true, accurate or not misleading if then repeated) by reference to the facts subsisting at the time; or
4. any of the Conditions of the Warrant Placing have (i) become incapable of satisfaction or (ii) not been satisfied before the latest time provided in the Placing Agreement and have not been waived if capable of being waived by the Joint Bookrunners; or
5. there has occurred, in the Joint Bookrunner's opinion, acting in good faith, a Material Adverse Change (as defined in the Placing Agreement); or
6. the occurrence of a market disruption or force majeure events, each as specified in the Placing Agreement.

By participating in the Placing, Placees agree that the exercise by the Joint Bookrunners of any right of termination or other discretion under the Placing Agreement shall be within the absolute discretion of the Joint Bookrunners or for agreement between the Company and the Joint Bookrunners (as the case may be) and that neither the Company nor the Joint Bookrunners need make any reference to, or

undertake any consultation with, Placees and that neither they nor any of their respective Affiliates, agents, directors, officers or employees shall have any liability to Placees whatsoever in connection with any such exercise.

### **No prospectus**

No offering document, prospectus or admission document has been or will be prepared or submitted to be approved by the FCA (or any other authority) in relation to the Placing or the Warrant Placing, and Placees' commitments will be made solely on the basis of publicly available information taken together with the information contained in this Announcement and any Exchange Information (as defined below) previously published by or on behalf of the Company simultaneously with or prior to the date of this Announcement and subject to the further terms set forth in the contract note (referred to in paragraph 5 above under "Participation in, and principal terms of, the Placings") to be provided to individual prospective Placees.

Each Placee, by participating in the Placing, agrees that the content of this Announcement and the publicly available information released by or on behalf of the Company is exclusively the responsibility of the Company and confirms to the Joint Bookrunners, the Manager and the Company that it has neither received nor relied on any other information, representation, warranty, or statement made by or on behalf of the Company (other than publicly available information) or the Joint Bookrunners or the Manager or their respective Affiliates or any other person and none of the Joint Bookrunners nor the Manager nor the Company, nor any of their respective Affiliates nor any other person will be liable for any Placee's decision to participate in the Placings (or either of them) based on any other information, representation, warranty or statement which the Placees may have obtained or received (regardless of whether or not such information, representation, warranty or statement was given or made by or on behalf of any such persons). By participating in the Placing or the Placing and the Warrant Placing, each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in making an offer to participate in the Placing or the Placing and the Warrant Placing. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

### **Lock-up**

The Company has undertaken to the Joint Bookrunners and the Manager that, between the date of the Placing Agreement and 90 calendar days after Admission, it will not, without the prior written consent of the Joint Bookrunners and the Manager, enter into certain transactions involving or relating to the Ordinary Shares, other than pursuant to the Placing and the Warrant Placing, subject to certain customary carve-outs agreed between the Joint Bookrunners and the Company.

By participating in the Placing or the Placing and the Warrant Placing, Placees agree that the exercise by the Joint Bookrunners and the Manager of any power to grant consent to waive the undertaking by the Company of a transaction which would otherwise be subject to the lock-up under the Placing Agreement shall be within the absolute discretion of the Joint Bookrunners and the Manager and that they need not make any reference to, or consult with, Placees and that they shall have no liability to Placees whatsoever in connection with any such exercise of the power to grant consent.

### **Registration and settlement**

Settlement of transactions in the Placing Shares (ISIN: GB00BG5NDX91) following Admission will take place within the relevant system administered by Euroclear ("**CREST**"), using the delivery versus payment mechanism, subject to certain exceptions. Subject to certain exceptions, the Joint Bookrunners, the Manager and the Company reserve the right to require settlement for, and delivery of, the Placing Shares to Placees by such other means that they deem necessary if delivery or settlement is not practicable in CREST within the timetable set out in this Announcement or would not be consistent with the regulatory requirements in the Placee's jurisdiction.

Following the close of the Bookbuild for the Placing, each Placee allocated Placing Shares in the Placing and, where applicable Warrants in the Warrant Placing will be sent a contract note stating the

number of Placing Shares to be allocated to it at the Placing Price, the aggregate amount owed by such Placee to the Joint Bookrunners and the Manager and settlement instructions. Placees should settle against CREST ID: 871 in respect of the Placing Shares. Where a Placee is allocated Warrants, the contract note will state the number of Warrants to be allocated to it at the Warrant Subscription Price, the aggregate amount owed by such Placee to the Joint Bookrunners and the Manager and settlement instructions. It is expected that such contract note will be despatched on or around 2 March 2021 and that this will also be the trade date.

Each Placee agrees that it will do all things necessary to ensure that delivery and payment for any Placing Shares is completed in accordance with either the standing CREST or certificated settlement instructions that it has in place with the relevant Joint Bookrunner or the Manager. Each Placee agrees that it will do all things necessary to ensure that delivery and payment in respect of any Warrants allocated to it will be completed in the manner notified to it by the relevant Joint Bookrunner or the Manager.

The Company will deliver the Placing Shares to a CREST account operated by Peel Hunt as agent for the Company and Peel Hunt will enter its delivery (DEL) instruction into the CREST system. Peel Hunt will hold any Placing Shares delivered to this account as nominee for the Placees. The input to CREST by a Placee of a matching or acceptance instruction will then allow delivery of the relevant Placing Shares to that Placee against payment.

It is expected that settlement of the Placing Shares will be on 9 March 2021 on a T+5 basis in accordance with the instructions given by the Joint Bookrunners or the Manager.

Settlement of the Warrants will, subject amongst other things on the passing of the Shareholder Resolutions take place on the date of the issue of the Warrants which is expected to be 2 Business Days after the passing of the Shareholder Resolutions. Settlement of the Warrants will be in certificated form unless otherwise agreed with the relevant Joint Bookrunner or Manager.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above at the rate of two percentage points above LIBOR as determined by the Joint Bookrunners or the Manager.

Each Placee agrees that, if it does not comply with these obligations, the Joint Bookrunners or the Manager may sell any or all of the Placing Shares allocated to that Placee on such Placee's behalf and retain from the proceeds, for the Company's account and benefit, an amount equal to the aggregate amount owed by the Placee plus any interest due or, in the case of the Warrant Subscription Price, refuse to issue or cancel the relevant warrant. The relevant Placee will, however, remain liable for any shortfall below the aggregate amount owed by it and shall be required to bear any stamp duty, stamp duty reserve tax or other stamp, securities, transfer, registration, execution, documentary or other similar impost, duty or tax (together with any interest or penalties) which may arise upon the sale of such Placing Shares on such Placee's behalf. If a Placee fails to make payment for Placing Shares allocated to that Placee, the Joint Bookrunners or the Manager may assign their rights and powers under this Appendix against such defaulting Placee to JerseyCo without notice to the relevant Placee. The foregoing is without prejudice to any cause of action the Joint Bookrunners or the Manager may have against a defaulting Placee.

If Placing Shares are to be delivered to a custodian or settlement agent, Placees should ensure that the contract note is copied and delivered immediately to the relevant person within that organisation. Insofar as Placing Shares are registered in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject to as provided below, be so registered free from any liability to UK stamp duty or UK stamp duty reserve tax. If there are any circumstances in which any other stamp duty or stamp duty reserve tax (and/or any interest, fines or penalties relating thereto) is payable in respect of the allocation, allotment, issue or delivery of the Placing Shares (or for the avoidance of doubt if any stamp duty or stamp duty reserve tax is payable in connection with any subsequent transfer of or agreement

to transfer Placing Shares), neither of the Joint Bookrunners nor the Manager nor the Company shall be responsible for the payment thereof.

### **Representations and warranties**

By submitting a bid and/or participating in the Placing or the Placing and the Warrant Placing, each prospective Placee (and any person acting on such Placee's behalf) irrevocably acknowledges, confirms, undertakes, represents, warrants and agrees (as the case may be) with each of the Joint Bookrunners and the Manager (in their capacity as placing agents in respect of the Placings) and the Company, in each case as a fundamental term of its application for Placing Shares or Placing Shares and Warrants, the following:

1. it has read and understood this Announcement, including this Appendix, in its entirety and that its subscription for and purchase of Placing Shares or Placing Shares and Warrants is subject to and based upon all the terms, conditions, representations, warranties, indemnities, acknowledgements, agreements and undertakings and other information contained herein and undertakes not to redistribute, duplicate or otherwise transmit this Announcement and that it has not relied on, and will not rely on, any information given or any representations, warranties or statements made at any time by any person in connection with Admission, the Bookbuilds, the Placings, the Company, the Placing Shares, the Warrants or otherwise;
2. that no offering document or prospectus or admission document has been or will be prepared in connection with the Placings or is required under the Prospectus Regulation or the UK Prospectus Regulation and it has not received and will not receive a prospectus, admission document or other offering document in connection with Admission, the Bookbuilds, the Company, the Placings, the Placing Shares or the Warrants;
3. time is of the essence as regards its obligations under this Announcement;
4. any document that is to be sent to it in connection with the Placings will be sent at its risk and may be sent to it at any address provided by it to the Joint Bookrunners or the Manager;
5. that the Ordinary Shares are listed on AIM and the TSX and that the Company is therefore required to publish certain business and financial information in accordance with the AIM Rules for Companies, MAR or applicable law, which includes a description of the nature of the Company's business and the Company's most recent balance sheet and profit and loss account, and similar statements for preceding financial years and that it has reviewed such Exchange Information and that it is able to obtain or access such Exchange Information;
6. that none of the Joint Bookrunners, nor the Manager nor the Company nor any of their respective Affiliates nor any person acting on behalf of any of them has provided, and none of them will provide, it with any material or information regarding the Placing Shares, the Warrants, the Bookbuilds, the Placings or the Company or any other person other than this Announcement, nor has it requested any of the Joint Bookrunners, the Manager, the Company, or any of their respective Affiliates nor any person acting on behalf of any of them to provide it with any such material or information;
7. unless otherwise specifically agreed with the Joint Bookrunners or the Manager, that it is not, and at the time the Placing Shares are acquired and at the time that any Warrants are acquired, neither it nor the beneficial owner of the Placing Shares and/or the Warrants will be, a resident of a Restricted Territory or any other jurisdiction in which it would be unlawful to make or accept an offer to acquire the Placing Shares and/or Warrants, and further acknowledges that neither the Placing Shares nor the Warrants have been and will not be registered or otherwise qualified for offer and sale nor will an offering document, prospectus or admission document be cleared or approved in respect of any of the Placing Shares and/or Warrants under the securities legislation of the United States or any other Restricted Territory and, subject to certain exceptions, may not be offered, sold, transferred, delivered or distributed, directly or indirectly, in whole or in part, in, into or within those jurisdictions or in any other country or jurisdiction where any such action for that purpose is required;

8. that the content of this Announcement is exclusively the responsibility of the Company and that neither of the Joint Bookrunners nor the Manager nor any of their respective Affiliates nor any person acting on their behalf has or shall have any responsibility or liability for any information, representation or statement contained in this Announcement or any information previously or subsequently published by or on behalf of the Company, including, without limitation, any Exchange Information, and will not be liable for any Placee's decision to participate in the Placing or the Placing and the Warrant Placing is based on any information, representation or statement contained in this Announcement or any information previously published by or on behalf of the Company or otherwise;
9. that the only information on which it is entitled to rely and on which such Placee has relied in committing itself to acquire the Placing Shares or Placing Shares and Warrant Shares is contained in this Announcement and any other Exchange Information, such information being all that it deems necessary to make an investment decision in respect of the Placing Shares and/or the Warrants, and that it has neither received nor relied on any other information given or investigations, representations, warranties or statements made by the Joint Bookrunners or the Manager or the Company or any of their respective Affiliates and neither of the Joint Bookrunners nor the Manager nor the Company nor any of their respective Affiliates or any person acting on any of their respective behalf will be liable for any Placee's decision to accept an invitation to participate in the Placing or the Placing and the Warrant Placing based on any other information, representation, warranty or statement;
10. that it has relied on its own investigation, examination and due diligence of the business, financial or other position of the Company in deciding to participate in the Placing or the Placing and the Warrant Placing and that neither of the Joint Bookrunners nor the Manager nor any of their respective Affiliates nor any person acting on any of their respective behalf have made any representations to it, express or implied, with respect to the Company, the Bookbuilds, the Placings, the Placing Shares or the Warrants or the accuracy, completeness or adequacy of the Exchange Information, and each of them expressly disclaims any liability in respect thereof;
11. that it has not relied on any information relating to the Company contained in any research reports prepared by the Joint Bookrunners or the Manager, any of their respective Affiliates or any person acting on the Joint Bookrunners' or any the Manager's or any of their respective Affiliates' behalf and understands that (i) neither of the Joint Bookrunners nor the Manager nor any of their respective Affiliates nor any person acting on their behalf has or shall have any liability for public information or any representation; (ii) neither of the Joint Bookrunners nor the Manager nor any of their respective Affiliates nor any person acting on their behalf has or shall have any liability for any additional information that has otherwise been made available to such Placee, whether at the date of publication, the date of this Announcement or otherwise; and that (iii) neither of the Joint Bookrunners nor the Manager nor any of their respective Affiliates nor any person acting on their behalf makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of such information, whether at the date of publication, the date of this Announcement or otherwise;
12. that the allocation, allotment, issue and delivery to it, or the person specified by it for registration as holder, of Placing Shares and/or Warrants will not give rise to a liability under any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services) and that it is not participating in the Placing or the Warrant Placing as nominee or agent for any person to whom the allocation, allotment, issue or delivery of the Placing Shares or Warrants would give rise to such a liability and that the Placing Shares and Warrants are not being acquired in connection with arrangements to issue depository receipts or to issue or transfer Placing Shares or Warrants into a clearance service;
13. that it acknowledges that no action has been or will be taken by the Company, the Joint Bookrunners, the Manager or any person acting on behalf of the Company, that would, or is intended to, permit a public offer of the Placing Shares or the Warrants in any country or jurisdiction where any such action for that purpose is required;

14. that it and any person acting on its behalf is entitled to acquire the Placing Shares under the laws of all relevant jurisdictions which apply to it and that it has fully observed such laws and obtained all such governmental and other guarantees, permits, authorisations, approvals and consents which may be required thereunder and complied with all necessary formalities and that it has not taken any action or omitted to take any action which will or may result in the Joint Bookrunners, the Manager, the Company or any of their respective Affiliates acting in breach of the legal or regulatory requirements of any jurisdiction in connection with the Placing;
15. that it (and any person acting on its behalf) has all necessary capacity and has obtained all necessary consents and authorities to enable it to commit to its participation in the Placing or the Placing and the Warrant Placing and to perform its obligations in relation thereto (including, without limitation, in the case of any person on whose behalf it is acting, all necessary consents and authorities to agree to the terms set out or referred to in this Announcement) and will honour such obligations;
16. that it has complied with its obligations under the Criminal Justice Act 1993, MAR and in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002 (as amended), the Terrorism Act 2000, the Anti-Terrorism Crime and Security Act 2001, the Terrorism Act 2006 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and any related or similar rules, regulations or guidelines issued, administered or enforced by any government agency having jurisdiction in respect thereof (the "**Regulations**") and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations. If within a reasonable time after a request for verification of identity, the Joint Bookrunners or the Manager have not received such satisfactory evidence, the Joint Bookrunners or the Manager may, in their absolute discretion, terminate the Placee's Placing participation and/or Warrant Placing participation in which event all funds delivered by the Placee to the Joint Bookrunners or the Manager will be returned without interest to the account of the drawee bank or CREST account from which they were originally debited;
17. that it is acting as principal only in respect of the Placing or Placing and Warrant Placing or, if it is acting for any other person: (i) it is duly authorised to do so and has full power to make, and does make, the acknowledgments, representations and agreements herein on behalf of each such person; and (ii) it is and will remain liable to the Joint Bookrunners, the Manager and the Company for the performance of all its obligations as a Placee in respect of the Placing or Placing and Warrant Placing (regardless of the fact that it is acting for another person). Each Placee agrees that the provisions of this paragraph shall survive the resale of the Placing Shares by or on behalf of any person for whom it is acting;
18. if in a member state of the EEA and except as disclosed in this Announcement under "Details of the Placing", that it is (i) an EEA Qualified Investor and (ii) a "professional client" or an "eligible counterparty" within the meaning set out in EU Directive 2014/65/EU on markets in financial instruments (MIFID II), as implemented into national law of the relevant EEA state
19. if in the United Kingdom, that it is a Relevant Person and it undertakes that it will acquire, hold, manage and (if applicable) dispose of any Placing Shares and/or Warrants that are allocated to it for the purposes of its business only;
20. that it will not distribute, forward, transfer or otherwise transmit this Announcement or any part of it, or any other presentation or other materials concerning the Placing (including electronic copies thereof), directly or indirectly, whether in whole or in part, in or into any Restricted Territory or any other jurisdiction in which such distribution, forwarding, transfer or transmission would be unlawful;
21. where it is acquiring the Placing Shares and/or Warrants for one or more managed accounts, it represents, warrants and undertakes that it is authorised in writing by each managed account to acquire the Placing Shares and Warrants for each managed account and it has full power to make the acknowledgements, representations and agreements herein on behalf of each such account;

22. that if it is a pension fund or investment company, it represents, warrants and undertakes that its acquisition of Placing Shares or Placing Shares and Warrants is in full compliance with applicable laws and regulations;
23. if it is acting as a financial intermediary, as that term is used in Article 2(d) of the Prospectus Regulation or the UK Prospectus Regulation, as the case may be, that the Placing Shares and any Warrants acquired by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in a member state of the EEA other than EEA Qualified Investors or persons in the United Kingdom other than Relevant Persons, or in circumstances in which the prior consent of the Joint Bookrunners, the Manager and the Company has been given to the proposed offer or resale and that the Warrants are not transferable;
24. that it has not offered or sold and, prior to the expiry of a period of six months from Admission, will not offer or sell any Placing Shares to persons in the EEA, except to EEA Qualified Investors or otherwise in circumstances which have not resulted and which will not result in an offer to the public in any member state in the EEA within the meaning of Article 2(d) of the Prospectus Regulation;
25. that it has not offered or sold and, prior to the expiry of a period of six months from Admission, will not offer or sell any Placing Shares to persons in the United Kingdom, except to Relevant Persons or otherwise in circumstances which have not resulted and which will not result in an offer to the public in the United Kingdom within the meaning of Article 2(d) of the UK Prospectus Regulation;
26. that any offer of Placing Shares may only be directed at persons in member states of the EEA who are EEA Qualified Investors and represents, warrants and undertakes that it has not offered or sold and will not offer or sell any Placing Shares to persons in the EEA prior to Admission except to EEA Qualified Investors or otherwise in circumstances which have not resulted in and which will not result in an offer to the public in any member state of the EEA within the meaning of the Prospectus Regulation;
27. that any offer of Placing Shares may only be directed at persons in the United Kingdom who are Relevant Persons and represents, warrants and undertakes that it has not offered or sold and will not offer or sell any Placing Shares to persons in the United Kingdom prior to Admission except to Relevant Persons or otherwise in circumstances which have not resulted in and which will not result in an offer to the public in the United Kingdom within the meaning of the UK Prospectus Regulation;
28. that it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) relating to the Placing Shares in circumstances in which section 21(1) of the FSMA does not require approval of the communication by an authorised person;
29. that it has complied and will comply with all applicable laws (including all relevant provisions of the FSMA) with respect to anything done by it in relation to the Placing Shares and Warrants in respect of anything done in, from or otherwise involving, the United Kingdom;
30. if it has received any inside information (as that term is defined in MAR) about the Company in advance of the Placings, it has not: (i) dealt in the securities of the Company; (ii) encouraged, required, recommended or induced another person to deal in the securities of the Company; or (iii) disclosed such information to any person except as permitted by the MAR, prior to the information being made publicly available;
31. that (i) it (and any person acting on its behalf) has capacity and authority and is otherwise entitled to purchase the Placing Shares and any Warrants under the laws of all relevant jurisdictions which apply to it; (ii) it has paid any issue, transfer or other taxes due in connection with its participation in any territory; (iii) it has not taken any action which will or may result in the Company, the Joint Bookrunners, the Manager, any of their respective Affiliates or any

person acting on their behalf being in breach of the legal and/or regulatory requirements and/or any anti-money laundering requirements of any territory in connection with the Placing or Warrant Placing; and (iv) that the subscription for and purchase of the Placing Shares and/or Warrants by it or any person acting on its behalf will be in compliance with applicable laws and regulations in the jurisdiction of its residence, the residence of the Company, or otherwise;

32. it (and any person acting on its behalf) has the funds available to pay for the Placing Shares and Warrants it has agreed to acquire and acknowledges, agrees and undertakes that it (and any person acting on its behalf) will make payment for the Placing Shares and Warrants allocated to it in accordance with this Announcement on the due time and date set out herein and, in the case of the Placing Shares, against delivery of such Placing Shares to it, failing which the relevant Placing Shares may be placed with other Placees or sold as the Joint Bookrunners and the Company may in their absolute discretion determine and without liability to such Placee. It will, however, remain liable for any shortfall below the net proceeds of such sale and the placing proceeds of such Placing Shares and may be required to bear any stamp duty or stamp duty reserve tax (together with any interest or penalties) due pursuant to the terms set out or referred to in this Announcement which may arise upon the sale of such Placee's Placing Shares on its behalf;
33. that it acknowledges and confirms that if it fails to make payment for Placing Shares or Warrants allocated to it, the Joint Bookrunners and the Manager may assign their rights and powers under this Appendix against such defaulting Placee to the Company or to JerseyCo without notice to the relevant Placee;
34. that its allocation (if any) of Placing Shares and/or Warrants will represent a maximum number of Placing Shares and Warrants to which it will be entitled, and required, to acquire, and that the Joint Bookrunners, the Manager or the Company may call upon it to acquire a lower number of Placing Shares (if any) or Warrants (if any), but in no event in aggregate more than the aforementioned maximum;
35. that neither of the Company, the Joint Bookrunners nor the Manager nor any of their respective Affiliates nor any person acting on their behalf, is making any recommendations to it, or advising it regarding the suitability or merits of any transactions it may enter into in connection with the Placings and that participation in the Placing or the Warrant Placing is on the basis that it is not and will not be a client of the Joint Bookrunners or the Manager and that the Joint Bookrunners and the Manager do not have any duties or responsibilities to it for providing the protections afforded to their respective clients or customers or for providing advice in relation to the Placing or the Warrant Placing nor in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement nor for the exercise or performance of either of the Joint Bookrunners' and the Manager's rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;
36. that it acknowledges that neither the Placing Shares nor the Warrants have been registered or otherwise qualified, and will not be registered or otherwise qualified, for offer and sale nor will a prospectus be cleared or approved in respect of any of the Placing Shares or Warrants under the securities laws of the United States, or any state or other jurisdiction of the United States, nor approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the Placing or the accuracy or adequacy of this Announcement. Neither the Placing Shares nor the Warrants have been registered or otherwise qualified for offer and sale nor will a prospectus be cleared or approved in respect of the Placing Shares or the Warrants under the securities laws of any Restricted Territory and, subject to certain exceptions, may not be offered, sold, taken up, renounced or delivered or transferred, directly or indirectly, in whole or in part, in, into or within the United States (including its territories and dependencies, any state of the United States and the District of Columbia) or any other Restricted Territory, or in any country or jurisdiction where any action for that purpose is required;

37. that the person whom it specifies for registration as holder of the Placing Shares or the Warrants will be (i) itself or (ii) its nominee, as the case may be. Neither of the Joint Bookrunners nor the Manager nor the Company nor any of their respective Affiliates will be responsible for any liability to stamp duty or stamp duty reserve tax or other similar duties or taxes (together with any interest or penalties) resulting from a failure to observe this requirement. Each Placee and any person acting on behalf of such Placee agrees to indemnify each of the Joint Bookrunners, the Manager, the Company and any of their respective Affiliates and any person acting on their respective behalf in respect of the same on an after-tax basis on the basis that the Placing Shares will be allotted to the CREST stock account of Peel Hunt who will hold them as nominee on behalf of such Placee until settlement in accordance with its standing settlement instructions;
38. that these terms and conditions and any agreements entered into by it pursuant to these terms and conditions, and any non-contractual obligations arising out of or in connection with such agreements, shall be governed by and construed in accordance with the laws of England and Wales and it submits (on behalf of itself and on behalf of any person on whose behalf it is acting) to the exclusive jurisdiction of the English courts as regards any claim, dispute or matter arising out of any such agreements, except that enforcement proceedings in respect of the obligation to make payment for the Placing Shares and the Warrants (together in each case with any interest chargeable thereon) may be taken by the Joint Bookrunners, the Manager or the Company in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange;
39. that each of the Joint Bookrunners, the Manager, the Company and their respective Affiliates and others will rely upon the truth and accuracy of the representations, warranties, agreements, undertakings and acknowledgements set forth herein and which are given to each of the Joint Bookrunners and the Manager on their own behalf and on behalf of the Company and are irrevocable and it irrevocably authorises each of the Joint Bookrunners, the Manager and the Company to produce this Announcement, pursuant to, in connection with, or as may be required by any applicable law or regulation, administrative or legal proceeding or official inquiry with respect to the matters set forth herein;
40. that it will indemnify on an after-tax basis and hold each of the Joint Bookrunners, the Manager, the Company and their respective Affiliates and any person acting on their behalf harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of, directly or indirectly, or in connection with any breach by it of the representations, warranties, acknowledgements, agreements and undertakings in this Appendix and further agrees that the provisions of this Appendix shall survive after completion of the Placing and completion of the Warrant Placing;
41. acknowledges that it irrevocably appoints any director of the Joint Bookrunners or the Manager as its agent for the purposes of executing and delivering to the Company and/or its registrars any documents on its behalf necessary to enable it to be registered as the holder of any of the Placing Shares and Warrants agreed to be taken up by it under the Placings;
42. that it acknowledges that its commitment to acquire Placing Shares and any Warrants on the terms set out herein and in the contract note will continue notwithstanding any amendment that may in future be made to the terms and conditions of the Placings and that Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's or the Joint Bookrunners' or the Manager's conduct of the Placings or either of them;
43. that in making any decision to acquire the Placing Shares and Warrants (i) it has sufficient knowledge, sophistication and experience in financial, business and international investment matters as is required to evaluate the merits and risks of subscribing for or purchasing the Placing Shares and/or Warrants, (ii) it is experienced in investing in securities of this nature in the Company's sector and is aware that it may be required to bear, and is able to bear, the economic risk of participating in, and is able to sustain a complete loss in connection with, the Placing and/or the Warrant Placing, (iii) it has relied on its own examination, due diligence and analysis of the Company and its Affiliates taken as a whole, including the markets in which the Group operates, and the terms of the Placings, including the merits and risks involved and not

upon any view expressed or information provided by or on behalf of the Joint Bookrunners, the Manager or any of their respective Affiliates, (iv) it has had sufficient time and access to information to consider and conduct its own investigation with respect to the offer and purchase of the Placing Shares and Warrants, including the legal, regulatory, tax, business, currency and other economic and financial considerations relevant to such investment and has so conducted its own investigation to the extent it deems necessary for the purposes of its investigation, (v) it is aware and understands that an investment in the Placing Shares and an investment in the Warrants involves a considerable degree of risk; and it will not look to the Company, the Joint Bookrunners, the Manager, any of their respective Affiliates or any person acting on their behalf for all or part of any such loss or losses it or they may suffer, (vi) has no need for liquidity with respect to its investment in the Placing Shares or its investment in the Warrants;

44. that it acknowledges and agrees that neither of the Joint Bookrunners nor the Manager nor the Company owe any fiduciary or other duties to it or any Placee in respect of any representations, warranties, undertakings or indemnities in the Placing Agreement;
45. understands and agrees that it may not rely on any investigation that the Joint Bookrunners or the Manager or any person acting on their respective behalf may or may not have conducted with respect to the Company and its Affiliates or the Placings and the Joint Bookrunners, the Manager and their respective Affiliates have not made any representation or warranty to it, express or implied, with respect to the merits of the Placings, the subscription for or purchase of the Placing Shares and/or Warrants, or as to the condition, financial or otherwise, of the Company and its Affiliates, or as to any other matter relating thereto, and nothing herein shall be construed as any investment or other recommendation to it to acquire the Placing Shares or the Warrants. It acknowledges and agrees that no information has been prepared by, or is the responsibility of, the Joint Bookrunners, the Manager or any of their respective Affiliates for the purposes of these Placings;
46. that it acknowledges and agrees that it will not hold either of the Joint Bookrunners nor the Manager nor any of their respective Affiliates nor any person acting on their behalf responsible or liable for any misstatements in, or omissions from, any publicly available information relating to the Group, including without limitation the Exchange Information, or information made available (whether in written or oral form) relating to the Group (the "**Information**") and that neither of the Joint Bookrunners nor the Manager nor any person acting on behalf of either of the Joint Bookrunners or the Manager makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of such Information or accepts any responsibility for any of such Information;
47. that in connection with the Placings, each of the Joint Bookrunners and the Manager and any of their respective Affiliates may take up a portion of the shares in the Company or Warrants and in that capacity may retain, purchase or sell for its or their own account such shares or Warrants in the Company and any securities of the Company or related investments and may offer or sell such securities or other investments otherwise than in connection with the Placings. Accordingly, references in this Announcement to shares or warrants being issued, offered or placed should be read as including any issue, offering or placement of such shares or warrants in the Company to either of the Joint Bookrunners or the Manager and any of their respective Affiliates acting in such capacity. In addition, the Joint Bookrunners or the Manager or any of their respective Affiliates may enter into financing arrangements (including swaps, warrants or contracts for differences) with investors in connection with which such Joint Bookrunners or the Manager or any of their respective Affiliates may from time to time acquire, hold or dispose of such securities of the Company, including the Placing Shares and Warrants. Neither of the Joint Bookrunners nor the Manager nor any of their respective Affiliates intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so;
48. it will not reoffer, sell, pledge or otherwise transfer the Placing Shares or Warrants except: (i) in an offshore transaction in accordance with Regulation S; (ii) in the United States pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US

Securities Act, in each case in compliance with all applicable securities laws of the United States or any state or other jurisdiction of the United States or (iii) pursuant to an effective registration statement under the US Securities Act and that, in each such case, such offer, sale, pledge or transfer will be made in accordance with any applicable securities laws of any state of the United States; or (iv) in its capacity as a QIB and will duly execute a US investor letter and deliver the same to one of the Bookrunners or its affiliates;

49. it and the prospective beneficial owner of the Placing Shares and/or Warrants is, and at the time the Placing Shares and/or Warrants are subscribed for will be either (i) located outside the United States and subscribing for the Placing Shares in an "offshore transaction" as defined in, and in accordance with, Regulation S; or (ii) a QIB and will duly execute a US investor letter and deliver the same to one of the Joint Bookrunners or its affiliates;
50. that it has not been offered to purchase and is not acquiring any of the Placing Shares or the Warrants as a result of any form of general solicitation or general advertising (within the meaning of Rule 502I of Regulation D under the US Securities Act) or any form of directed selling efforts (as defined in Regulation S);
51. if it is a person in Canada, that it is an "accredited investor" as such term is defined in section 1.1 of National Instrument 45-106 Prospectus Exemptions or, in Ontario, as such term is defined in section 73.3(1) of the Securities Act (Ontario);
52. if it is a person in Canada, that it is not a person created or used solely to purchase or hold the securities as an "accredited investor" as described in paragraph (m) of the definition of "accredited investor" in section 1.1 of National Instrument 45-106 Prospectus Exemptions or section 73.3(1) of the Securities Act (Ontario);
53. the Company is relying on an exemption from the requirement to provide the Placee with a prospectus under applicable Canadian securities laws and, as a consequence of acquiring the Placing Shares and Warrants pursuant to such exemption: (i) certain protections, rights and remedies provided by applicable Canadian securities laws, including statutory rights of rescission and certain statutory remedies against an issuer, underwriters, auditors, directors and officers that are available to investors who acquire securities offered by a prospectus, will not be available to the Placee; (ii) the common law may not provide investors with an adequate remedy in the event that they suffer investment losses in connection with securities acquired in a private placement; (iii) the Placee may not receive information that would otherwise be required to be given under applicable Canadian securities laws, and (iv) the Company is relieved from certain obligations that would otherwise apply under applicable Canadian securities laws;
54. that it acknowledges that the Placing Shares, the Warrants and Warrant Shares will be subject to a statutory hold period in Canada for a period of four months and one day following the completion of the Placing and will be embedded, whether through an electronic deposit system, an ownership statement or on certificates that may be issued, with a restrictive legend under applicable Canadian securities laws substantially in the following form (and with the necessary information inserted):

"unless permitted under securities legislation, the holder of this security must not trade the security before 10 July 2021."
55. that it acknowledges that the distribution of the Placing Shares and Warrants in Canada is being made on an exempt distribution basis and that any resale of the Placing Shares in Canada must be made through an appropriately registered dealer or in accordance with an available exemption from the dealer registration requirements of applicable Canadian securities laws, and in accordance with, or pursuant to an exemption from, the prospectus requirements of such laws;
56. neither the Company nor the Joint Bookrunners, nor the Manager, nor any of their directors, officers, employees, affiliates or agents has made any written or oral representation: (A) that any person will resell or repurchase the Placing Shares or Warrants, (B) that any person will

refund all or any part of the purchase price for the Placing Shares or Warrants, or (C) as to the future price or value of the Placing Shares or Warrants;

57. the funds representing the purchase price which will be advanced by the Placee to the Joint Bookrunner and/or the Manager and/or the Company hereunder will not represent proceeds of crime for the purposes of the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada) (the "**PCMLTFA**") and the Placee acknowledges that the Company may in the future be required by law to disclose the Placee's name and other information relating to its purchase in the Placing, on a confidential basis, pursuant to the PCMLTFA. To the best of its knowledge (a) none of the funds to be provided by the Placee (i) have been or will be derived from or related to any activity that is deemed criminal under the law of Canada, the United States, or any other jurisdiction, or (ii) are being tendered on behalf of a person or entity who has not been identified to the Placee, and (b) the Placee shall promptly notify the Corporation if the Placee discovers that any of such representations ceases to be true, and to provide the Company with appropriate information in connection therewith;
58. it understands that certain personal information may be collected by the Company for the purposes of completing the Placings, which includes, without limitation, determining its eligibility to purchase the Placing Shares and Warrants under Canadian securities laws and other applicable securities laws and completing filings required by any securities commission or other regulatory authority; that its personal information may be disclosed by the Company to: (i) securities commissions or stock exchanges, (ii) the Canada Revenue Agency or other taxing authorities, and (iii) any of the other parties involved in the Placing, including legal counsel to the Company, the Joint Bookrunners, the Manager and any dealer who sells Placing Shares or Warrants to such Placee and may be included in record books in connection with the Placings; and that by purchasing the Placing Shares and any Warrants, it will be deemed to have consented to the foregoing collection, use and disclosure of its personal information and the filing of copies or originals of any of its documents submitted hereunder as may be required to be filed with any securities commission or stock exchange in connection with the transactions contemplated hereby;
59. it understands that certain information provided by it, including its name, address, telephone number and email address, the number of Placing Shares and Warrants being purchased, the exemption being relied upon by it in purchasing the Placing Shares and Warrants and its registrant or insider status, if applicable, will be disclosed to the applicable securities regulatory authorities, such information is being collected by such securities regulatory authorities under the authority granted to each of them under securities legislation and it will be deemed to have authorized the indirect collection of such information by such securities regulatory authorities. This information is being collected for the purposes of the administration and enforcement of the securities legislation of such jurisdictions. In the event the Placee has any questions with respect to the indirect collection of such information by such securities regulatory authorities and regulators, it should contact the applicable securities regulatory authority or regulator using the contact information set out below:

British Columbia Securities Commission  
P.O. Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, British Columbia V7Y 1L2  
Inquiries: (604) 899-6854  
Toll free in Canada: 1-800-373-6393  
Facsimile: (604) 899-6581  
Email: [FOI-privacy@bcsc.bc.ca](mailto:FOI-privacy@bcsc.bc.ca)  
Public official contact: FOI Inquiries

Alberta Securities Commission  
Suite 600, 250 – 5<sup>th</sup> Street SW  
Calgary, Alberta T2P 0R4  
Telephone: (403) 297-6454  
Toll free in Canada: 1-877-355-0585  
Facsimile: (403) 297-2082  
Public official contact: FOIP  
Coordinator

Ontario Securities Commission  
20 Queen Street West, 22<sup>nd</sup> Floor  
Toronto, Ontario M5H 3S8  
Telephone: (416) 593- 8314  
Toll free in Canada: 1-877-785-1555

The Manitoba Securities Commission  
500 – 400 St. Mary Avenue  
Winnipeg, Manitoba R3C 4K5  
Telephone: (204) 945-2561

Facsimile: (416) 593-8122  
Email: [Exemptmarketfilings@osc.gov.on.ca](mailto:Exemptmarketfilings@osc.gov.on.ca)  
Public official contact: Inquiries Officer

Toll free in Manitoba: 1-800-655-5244  
Facsimile: (204) 945-0330  
Public official contact: Director

60. if required by applicable Canadian securities laws (including any rules of the Toronto Stock Exchange), it will execute, deliver and file or assist the Company in filing such reports, undertakings and other documents relating to the purchase of the Placing Shares or Warrants as may be required; and
61. that each of the Joint Bookrunners and the Manager and their respective Affiliates may have engaged in transactions with, and provided various commercial banking, investment banking, financial advisory transactions and services in the ordinary course of their business with the Company and/or its Affiliates for which they would have received customary fees and commissions and that each of the Joint Bookrunners and the Manager and their respective Affiliates may provide such services to the Company and/or its Affiliates in the future.

The foregoing acknowledgements, agreements, undertakings, representations, warranties and confirmations are given for the benefit of the Company as well as each of the Joint Bookrunners and the Manager (for their own benefit and, where relevant, the benefit of their respective Affiliates and any person acting on their behalf) and are irrevocable. Each Placee, and any person acting on behalf of a Placee, acknowledges that neither of the Joint Bookrunners, the Manager or the Company owe any fiduciary or other duties to any Placee in respect of any representations, warranties, undertakings or indemnities in the Placing Agreement.

Please also note that the agreement to allot and issue Placing Shares to Placees (or the persons for whom Placees are contracting as nominee or agent) free of UK stamp duty and UK stamp duty reserve tax relates only to their allotment and issue to Placees, or such persons as they nominate as their agents or nominees, direct from the Company for the Placing Shares in question. None of the Company or the Joint Bookrunners or the Manager will be responsible for any UK stamp duty or UK stamp duty reserve tax (including any interest and penalties relating thereto) arising in relation to the Placing Shares in any other circumstances.

Such agreement is subject to the representations, warranties and further terms above and also assumes, and is based on a warranty from each Placee, that the Placing Shares and Warrants are not being acquired in connection with arrangements to issue depositary receipts or to issue or transfer the Placing Shares or Warrants into a clearance service. Neither of the Joint Bookrunners nor the Manager nor the Company are liable to bear any stamp duty or stamp duty reserve tax or any other similar duties or taxes ("**transfer taxes**") that arise (i) if there are any such arrangements (or if any such arrangements arise subsequent to the acquisition by Placees of Placing Shares or Warrants) or (ii) on a sale of Placing Shares, or (iii) for transfer taxes arising otherwise than under the laws of the United Kingdom. Each Placee to whom (or on behalf of whom, or in respect of the person for whom it is participating in the Placing as an agent or nominee) the allocation, allotment, issue or delivery of Placing Shares or Warrants has given rise to such transfer taxes undertakes to pay such transfer taxes forthwith, and agrees to indemnify on an after-tax basis and hold the Joint Bookrunners, the Manager, the Company, their respective Affiliates and any person acting on any of their respective behalf harmless from any such transfer taxes, and all interest, fines or penalties in relation to such transfer taxes. Each Placee should, therefore, take its own advice as to whether any such transfer tax liability arises.

Each Placee and any person acting on behalf of each Placee acknowledges and agrees that either of the Joint Bookrunners, the Manager or any of their respective Affiliates may, at their absolute discretion, agree to become a Placee in respect of some or all of the Placing Shares or Warrants. Each Placee acknowledges and is aware that the Joint Bookrunners and the Manager are receiving a fee in connection with their role in respect of the Placings as detailed in the Placing Agreement.

When a Placee or person acting on behalf of the Placee is dealing with the Joint Bookrunners or the Manager, any money held in an account with either of the Joint Bookrunners or the Manager on behalf of the Placee and/or any person acting on behalf of the Placee will not be treated as client money within

the meaning of the rules and regulations of the FCA made under the FSMA. The Placee acknowledges that the money will not be subject to the protections conferred by the client money rules, as a consequence, this money will not be segregated from the Joint Bookrunners' or the Manager's money in accordance with the client money rules and will be used by the Joint Bookrunners and the Manager in the course of its own business, and the Placee will rank only as a general creditor of the Joint Bookrunners or the Manager.

All times and dates in this Announcement may be subject to amendment. Either of the Joint Bookrunners or the Manager shall notify the Placees and any person acting on behalf of the Placees of any changes.

No statement in the Placing Documents is intended to be a profit forecast or estimate, and no statement in the Placing Documents should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company. Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser.

The rights and remedies of the Joint Bookrunners, the Manager and the Company under these Terms and Conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.

If a Placee is a discretionary fund manager, the Placee may be asked to disclose in writing or orally to the Joint Bookrunners or the Manager the jurisdiction in which the funds are managed or owned.

## Appendix 2

### Definitions

The following definitions apply throughout this Announcement unless the context otherwise requires:

<b>Admission</b>	means the admission of the Placing Shares and the PrimaryBid Offer Shares to trading on the AIM market of the London Stock Exchange;
<b>Affiliate</b>	has the meaning given in Rule 501(b) of Regulation D under the US Securities Act or Rule 405 under the US Securities Act, as applicable and, in the case of the Company, includes its subsidiary undertakings;
<b>AIM</b>	has the meaning given to in in Appendix 1 of this Announcement;
<b>AIM Rules</b>	means the AIM Rules for Companies published by the London Stock Exchange;
<b>Announcement</b>	means this announcement (including its Appendices);
<b>Beacon</b>	means Beacon Securities Limited;
<b>Bookbuilds</b>	means the bookbuilding process to be commenced by the Joint Bookrunners and the Manager to use reasonable endeavours to procure places for the Placing Shares, and the bookbuilding process to be commenced by the Joint Bookrunners and the Manager to use reasonable endeavours to procure places for the Warrants, in each case as described in this Announcement and subject to the terms and conditions set out in this Announcement and the Placing Agreement and a reference to a “ <b>Bookbuild</b> ” shall be to either of them.
<b>Company</b>	means Serabi Gold plc;
<b>CREST</b>	means the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755)) in respect of which Euroclear is the Operator (as defined in such Regulations) in accordance with which securities may be held and transferred in uncertificated form;
<b>EEA</b>	means European Economic Area;
<b>EEA Qualified Investor</b>	means qualified investors as defined in Article 2(e) of the Prospectus Regulation;
<b>Euroclear</b>	means Euroclear UK & Ireland Limited, a company incorporated under the laws of England and Wales;
<b>Exchange Information</b>	means the business and financial information the Company is required to publish in accordance with MAR and the AIM Rules and applicable law;
<b>Exercise Price</b>	has the meaning given to it in the main body of this Announcement;
<b>FCA or Financial Conduct Authority</b>	means the UK Financial Conduct Authority;

<b>FSMA</b>	means the Financial Services and Markets Act 2000 (as amended, including any regulations made pursuant thereto);
<b>Group</b>	means the Company and its subsidiary undertakings;
<b>Greenstone</b>	has the meaning given to it in the main body of this Announcement;
<b>Information</b>	has the meaning given to in in Appendix 1 of this Announcement;
<b>Joint Bookrunners</b>	means Peel Hunt and Tamesis;
<b>Long Stop Date</b>	means 31 March 2021;
<b>LSE</b>	has the meaning given to in in Appendix 1 of this Announcement;
<b>Manager</b>	means Beacon Securities Limited in its capacity as Manager;
<b>MAR</b>	means the Market Abuse Regulation (EU) No.596/2014 as it forms part of the law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018;
<b>Order</b>	has the meaning given to it in the main body of this Announcement;
<b>Ordinary Shares</b>	means the ordinary shares of 10 pence each in the capital of the Company;
<b>PCMLTFA</b>	has the meaning given to in in Appendix 1 of this Announcement;
<b>Peel Hunt</b>	means Peel Hunt LLP;
<b>Placee</b>	means any person procured by either of the Joint Bookrunners or the Manager (acting as agents for and on behalf of the Company), on the terms and subject to the conditions of the Placing Agreement, to subscribe for the Placing Shares pursuant to the Placing and where applicable Warrants pursuant to the Warrant Placing;
<b>Placing</b>	has the meaning given to it in the main body of this Announcement;
<b>Placings</b>	means the Placing and the Warrant Placing;
<b>Placing Agreement</b>	has the meaning given to it in Appendix I to this Announcement;
<b>Placing Documents</b>	means any press announcement, presentation materials and any other document published or issued by or on behalf of the Company for the purposes of the Placing or the applications for Admission (including any amendments and supplements to the foregoing);
<b>Placing Price</b>	means £0.75 or C\$1.32;
<b>Placing Shares</b>	has the meaning given to it in the main body of this Announcement;
<b>PrimaryBid Offer</b>	has the meaning given to in the main body of this Announcement;

<b>PrimaryBid Offer Shares</b>	has the meaning given to in the main body of this Announcement;
<b>Prospectus Regulation</b>	means the Prospectus Regulation (EU) 2017/1129;
<b>QIB</b>	has the meaning given to in in Appendix 1 of this Announcement;
<b>QIBS</b>	has the meaning given to in in Appendix 1 of this Announcement;
<b>Qualified Investors</b>	has the meaning given to it in the main body of this Announcement;
<b>Redemption Agreement</b>	has the meaning given to it in the main body of this Announcement;
<b>Regulations</b>	has the meaning given to in in Appendix 1 of this Announcement;
<b>Regulation S</b>	means Regulation S promulgated under the US Securities Act;
<b>Regulatory Information Service</b>	means a primary information provider that has been approved by the FCA to disseminate regulated information;
<b>Relevant Persons</b>	means UK Qualified Investors who are (i) persons falling within the definition of "investment professional" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the " <b>Order</b> "), or (ii) persons who fall within Article 49(2)(a) to (d) (High Net Worth Companies, Unincorporated Associations, etc.) of the Order or (iii) other persons to whom it may be lawfully communicated;
<b>Restricted Territory</b>	means the United States, Australia, the Republic of South Africa or Japan;
<b>Shareholder Resolutions</b>	means the resolutions necessary to approve the issue of the Warrants and the new Ordinary Shares into which the Warrants may be exercised at the annual general meeting of the Company;
<b>subsidiary</b>	has the meaning given to that term in the Companies Act 2006;
<b>subsidiary undertaking</b>	has the meaning given to that term in the Companies Act 2006;
<b>Target Market Assessment</b>	has the meaning given to it in the main body of this Announcement;
<b>Tamesis</b>	means Tamesis Partners LLP;
<b>Term Sheet</b>	means the term sheet as may be executed by the Company and the Joint Bookrunners;
<b>Terms and Conditions</b>	means the terms and conditions of the Placing set out in Appendix I to this Announcement;
<b>transfer taxes</b>	means stamp duty or stamp duty reserve tax or any other similar duties or taxes;

<b>TSX</b>	has the meaning given to it in the main body of this Announcement;
<b>uncertificated or in uncertificated form</b>	means in respect of a share or other security, where that share or other security is recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which may be transferred by means of CREST;
<b>UK Prospectus Regulation</b>	means Prospectus Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018;
<b>UK Qualified Investor</b>	means qualified investors as defined in Article 2(e) of the UK Prospectus Regulation; and
<b>United Kingdom or UK</b>	means the United Kingdom of Great Britain and Northern Ireland.
<b>US Securities Act</b>	means the U.S. Securities Act of 1933, as amended;
<b>Warrants</b>	has the meaning given to in in Appendix 1 of this Announcement;
<b>Warrant Long Stop Date</b>	means 4 June 2021;
<b>Warrant Placing</b>	has the meaning given to it in the main body of this Announcement;
<b>Warrant Shares</b>	has the meaning given to in in Appendix 1 of this Announcement;
<b>Warrant Subscription Date</b>	means the fifth business day after the Company announces the passing of the Shareholder Resolutions;
<b>Warrant Subscription Price</b>	£0.06 or C\$0.11 per Warrant;

Unless otherwise indicated in this Announcement, all references to "£", "**GBP**", "**pounds**", "**pound sterling**", "**sterling**", "**p**", "**penny**" or "**pence**" are to the lawful currency of the UK. All references to "**U.S.\$**", "**\$**" or "**dollars**" are to the lawful currency of the United States of America. All references to "€" or "**Euro**" are to the lawful currency of Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Slovenia, and Spain.

### Appendix 3

#### Comparative Mineral Reserves and Resources for the Palito and Sao Chico deposits

For the purpose of comparison the following tables set out the previously disclosed Mineral Reserves and Resources for the Palito and Sao Chico deposits effective 30 June 2017.

**Table 1 Condensed Mineral Resource Statement, Palito Mine, Para State, Brazil, Serabi Gold plc, June 30. 2017**

Classification	Quantity (000's t)	Grade		Contained Metal	
		Au (g/t)	Cu (%)	Au (000's oz)	Cu (t)
Measured	274	15.21	0.77	134	2,110
Indicated	371	10.91	0.57	130	2,115
<b>Measured and Indicated</b>					
Inferred	784	7.02	0.20	177	1,568

- Mineral Resources are not Mineral Reserves and have not demonstrated economic viability.
- Mineral Resources are reported inclusive of Mineral Reserves.

- Figures are rounded to reflect the relative accuracy of the estimates.
- Mineral Resources are reported within classification domains inclusive of in situ dilution at CoG of 3.10 g/t gold assuming an underground extraction scenario, a gold price of US\$1,500/oz, and metallurgical recovery of 91%.
- Polygonal techniques were used for Resources estimates.
- Serabi is the operator and owns 100% of the Palito Mine such that gross and net attributable mineral resources are the same. The mineral resource estimate was prepared by the Company in accordance with the standard of CIM and NI 43-101, with an effective date of 30 June 2017, and audited and approved by Mr. Timothy Olson of SRK Consulting (US) Inc., who is a Qualified Person under NI 43-101.

**Table 2: Condensed Mineral Resource Statement, São Chico Mine, Para State, Brazil, Serabi Gold plc, June 30. 2017**

Classification	Quantity (000's t)	Grade Au (g/t)	Contained Metal Au (000's oz)
Measured	60	13.34	26
Indicated	22	14.70	10
<b>Measured and Indicated</b>	<b>82</b>	<b>13.70</b>	<b>36</b>
Inferred	123	13.77	54

- Mineral Resources are not Mineral Reserves and have not demonstrated economic viability.
- Mineral Resources are reported inclusive of Mineral Reserves.
- Figures are rounded to reflect the relative accuracy of the estimates.
- Mineral Resources are reported within classification domains inclusive of in situ dilution at a CoG of 2.85 g/t gold assuming an underground extraction scenario, a gold price of US\$1,500/oz, and metallurgical recovery of 95%.
- Polygonal techniques were used for Resources estimates.
- Serabi is the operator and owns 100% of the Palito Mine such that gross and net attributable mineral resources are the same. The mineral resource estimate was prepared by the Company in accordance with the standard of CIM and NI 43-101, with an effective date of 30 June 2017, and audited and approved by Mr. Timothy Olson of SRK Consulting (US) Inc., who is a Qualified Person under NI 43-101.

**Table 3: Mineral Reserves Statement, Palito Mine, Para State, Brazil, Serabi Gold plc, June 30. 2017**

Classification	Quantity (000's t)	Grade		Contained Metal	
		Au (g/t)	Cu (%)	Au (000's oz)	Cu (t)
<b>Underground</b>					
Proven	265	9.77	0.46	83	1,219
Probable	276	7.64	0.39	68	1,076
<b>Proven and Probable</b>	<b>613</b>	<b>7.99</b>	<b>0.37</b>	<b>157</b>	<b>2,295</b>

- Mineral Reserves have been rounded to reflect the relative accuracy of the estimates. Proven underground Mineral Reserves are reported within the Measured classification domain, and Probable underground Mineral Reserves are reported within the Indicated classification domain. Proven and Probable underground Mineral Reserves are inclusive of external mining dilution and mining loss and are reported at a CoG of 3.70 g/t gold assuming an underground extraction scenario, a gold price of US\$1,250/oz, a 3.5:1 Brazilian Real to U.S. Dollar exchange rate, and metallurgical recovery of 91%.
- Serabi is the operator and owns 100% of the Palito Mine such that gross and net attributable mineral reserves are the same. The mineral reserve estimate was prepared by the Company in accordance with the standard of CIM and NI 43-101, with an effective date of 30 June 2017, and audited and approved by Mr. Timothy Olson of SRK Consulting (US) Inc., who is a Qualified Person under NI 43-101.

**Table 4: Mineral Reserves Statement, São Chico Mine, Para State, Brazil, Serabi Gold plc, June 30. 2017**

Classification	Quantity (000's t)	Grade Au (g/t)	Contained Metal Au (000's oz)
Underground			

Proven	65	8.15	17
Probable	25	9.15	7
<b>Proven and Probable</b>	<b>90</b>	<b>8.43</b>	<b>24</b>

- Mineral Reserves have been rounded to reflect the relative accuracy of the estimates. Proven underground Mineral Reserves are reported within the Measured classification domain, and Probable underground Mineral Reserves are reported within the Indicated classification domain. Proven and Probable underground Mineral Reserves are inclusive of external mining dilution and mining loss and are reported at a CoG of 3.45 g/t gold assuming an underground extraction scenario, a gold price of US\$1,250/oz, a 3.5:1 Brazilian Real to U.S. Dollar exchange rate, and metallurgical recovery of 95%
- Serabi is the operator and owns 100% of the São Chico Mine such that gross and net attributable mineral reserves are the same. The mineral reserve estimate was prepared by the Company in accordance with the standard of CIM and NI 43-101, with an effective date of 30 June 2017, and audited and approved by Mr. Timothy Olson of SRK Consulting (US) Inc., who is a Qualified Person under NI 43-101

## Appendix 4

### Glossary of Technical Terms

The following is a glossary of technical terms:

Note: Mineral resources and reserves were estimated in conformity with the widely accepted CIM Estimation of Mineral Resource and Mineral Reserves Best Practices Guidelines (the "Guidelines") and are reported in accordance with the Canadian Securities Administrators' National Instrument 43-101" and the definitions applicable to individual categories of reserves and resources are set out in the Guidelines. The Glossary below includes only a summary of these definitions and readers can access the full definitions at <http://web.cim.org/standards/menupage.cfm?sections=177&menu=178>

"**Au**" means gold.

"**CIM**" means Canadian Institute of Mining, Metallurgy and Petroleum.

"**development**" - excavations used to establish access to the mineralised rock and other workings.

"**grade**" is the concentration of mineral within the host rock typically quoted as grams per tonne (g/t), parts per million (ppm) or parts per billion (ppb).

"**g/t**" means grams per tonne.

"**Indicated Mineral Resource**" is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed.

"**Inferred Mineral Resource**" is that part of a Mineral Resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.

"**Measured Mineral Resource**" is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through

appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity.

**"Mineral Resource"** is a concentration or occurrence of diamonds, natural solid inorganic material, or natural solid fossilized organic material including base and precious metals, coal, and industrial minerals in or on the Earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge.

**"Mineral Reserve"** is the economically mineable part of a Measured or Indicated Mineral Resource demonstrated by at least a Preliminary Feasibility Study. This Study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified. A Mineral Reserve includes diluting materials and allowances for losses that may occur when the material is mined.

**"Probable Mineral Reserve"** is the economically mineable part of an Indicated and, in some circumstances, a Measured Mineral Resource demonstrated by at least a Preliminary Feasibility Study. This Study must include adequate information on mining, processing, metallurgical, economic, and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified.

**"Proven Mineral Reserve"** is the economically mineable part of a Measured Mineral Resource. A Proven Mineral Reserve implies a high degree of confidence in the Modifying Factors.

"t" means tonnes

**"Vein"** is a generic term to describe an occurrence of mineralised rock within an area of non-mineralised rock.