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If you sell or transfer or have sold or otherwise transferred all of your Ordinary Shares, please send this document and accompanying Form of Proxy as soon as possible to the purchaser or transferee or to the bank, stockbroker or other agent through or to whom you have sold or transferred your shares for delivery to the purchaser or transferee. Such documents should, however, not be forwarded to or transmitted into any jurisdiction outside of the UK. Any failure to comply with such restriction may constitute a violation of the securities laws of any such jurisdiction. If you have sold only part of your holding of Ordinary Shares, please contact immediately your stockbroker, bank or other agent through whom the sale or transfer was effected.

This document does not constitute an offer to buy, acquire or subscribe for (or the solicitation of an offer to buy, acquire or subscribe for), Ordinary Shares or an offer to buy, acquire or subscribe for (or the solicitation of an offer to buy, acquire or subscribe for), the Placing Shares. This document does not contain an offer of transferrable securities within the meaning of section 102B of FSMA and does not constitute a prospectus within the meaning of section 85 of FSMA. This document has not been examined or approved by the FCA, the London Stock Exchange or any other regulatory authority.

The Company's Existing Ordinary Shares are currently admitted to trading on AIM. Subject to Resolution 1 being passed, application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. Subject to Resolutions 2 and 3 being passed, application will also be made to the London Stock Exchange for the Placing Shares, the Consideration Shares and the Settlement Shares to be admitted to trading on AIM.

AIM is a market designed for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration, and if appropriate, consultation with a financial adviser.

It is expected that, subject to, *inter alia*, the passing of all of the Resolutions at the General Meeting, admission to AIM will become effective and that dealings in the Placing Shares, the Consideration Shares and the Settlement Shares and the New Ordinary Shares will commence on AIM at 8.00 a.m. on 29 August 2018. The Placing Shares, the Consideration Shares and the Settlement Shares will, when issued, rank *pari passu* in all respects with the New Ordinary Shares.

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## **AFRICAN BATTERY METALS PLC**

*(incorporated and registered in England and Wales with registered number 07800337)*

**Proposed acquisition of entire issued share capital of Cobalt Blue Holdings Inc.**

**Proposed acquisition of entire issued share capital of Regent Resources Interests Corporation**

**Conditional Placing of 6,666,666 New Ordinary Shares at 3 pence per New Ordinary Shares**

**(as adjusted for the proposed Capital Reorganisation),**

**Proposed issue of Settlement Shares**

**Proposed Capital Reorganisation**

**and**

**Notice of General Meeting**

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This document should be read as a whole. Your attention is drawn to the letter from Roger Murphy, the Chief Executive Officer of African Battery Metals plc, which is set out on pages 7 to 15 (inclusive) of this document which provides details of the Acquisitions, the Placing and the Capital Reorganisation and which contains your Board's unanimous recommendation that you vote in favour of all of the Resolutions to be proposed at the General Meeting referred to below.

**Notice convening a General Meeting of African Battery Metals plc, to be held at Michelmores LLP, 6 New Street Square, London EC4A 3BF on 28 August 2018 at 10.00 a.m., is set out at the end of this document. A Form of Proxy for use at the General Meeting accompanies this document and, to be valid, should be completed and returned in accordance with the instructions set out thereon as soon as possible but in any event so as to reach the Company's registrars, Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR, by not later than 10.00 a.m. on 23 August 2018. Completion of a Form of Proxy will not prevent a Shareholder from attending the meeting and voting in person. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed to any other person or published in whole or in part for any purpose.**

This document does not constitute or form part of any offer or instruction to purchase, subscribe for or sell any shares or other securities in the Company nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contract therefor.

SP Angel Corporate Finance LLP ("**SP Angel**"), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for the Company as nominated adviser and broker and no-one else in connection with the Placing. SP Angel will not regard any other person (whether or not a recipient of this document) as a client in relation to the Placing and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Placing or any other matter referred to herein. SP Angel has not authorised the contents of, or any part of, this document and no liability whatsoever is accepted by SP Angel nor does it make any representation or warranty, express or implied, for the accuracy of any information or opinion contained in this document or for the omission of any information. SP Angel expressly disclaims all and any responsibility or liability whether arising in tort, contract or otherwise which it might otherwise have in respect of this document.

## IMPORTANT NOTICE

### Cautionary note regarding forward-looking statements

This document includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will", or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the Directors' current intentions, beliefs or expectations concerning, among other things, the Group's results of operations, financial condition, liquidity, prospects, growth, strategies and the Group's markets.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Actual results and developments could differ materially from those expressed or implied by the forward-looking statements.

Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this document are based on certain factors and assumptions, including the Directors' current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group's operations, results of operations, growth strategy and liquidity. Whilst the Directors consider these assumptions to be reasonable based upon information currently available, they may prove to be incorrect. Save as required by law or by the AIM Rules, the Company undertakes no obligation to publicly release the results of any revisions to any forward-looking statements in this document that may occur due to any change in the Directors' expectations or to reflect events or circumstances after the date of this document.

### Important Information to Overseas Persons

The distribution of this document and/or the Form of Proxy in certain jurisdictions may be restricted by law and therefore persons into whose possession these documents come should inform themselves about and observe any such restrictions. Persons (including, without limitation, nominees and trustees) receiving this document should not, in connection with the Capital Reorganisation, distribute or send it into any jurisdiction when to do so would, or might, contravene local securities laws or regulations.

Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. The Placing Shares have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, (the "**US Securities Act**") and may not be offered, sold or delivered in, into or from the United States, or to, or for the account or benefit of U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable US state securities laws. This document does not constitute an offer of Ordinary Shares to any person with a registered address, or who is resident, in the United States, or who is otherwise a "U.S. person" as defined in Regulation S under the US Securities Act. There will be no public offer of Placing Shares in the United States. Outside of the United States, the Placing Shares are being offered in reliance on Regulation S promulgated under the US Securities Act. The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, or any other securities commission or regulatory authority of the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Placing Shares nor have they approved this document or confirmed the accuracy or adequacy of the information contained in this document. Any representation to the contrary is a criminal offence in the US.

The Placing Shares will not qualify for distribution under the relevant securities laws of Australia, Canada, the Republic of South Africa or Japan, nor has any prospectus in relation to the Placing Shares been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance. Accordingly, subject to certain exemptions, the Placing Shares may not be offered, sold, taken up, delivered or transferred in, into or from the United States, Australia, Canada, the Republic of South Africa, Japan or any other jurisdiction where to do so would constitute a breach of local securities laws or regulations (each a "**Restricted Jurisdiction**") or to or for the account or benefit of any national, resident or citizen of a Restricted Jurisdiction. This document does not constitute an offer to issue or sell, or the solicitation of an offer to subscribe for or purchase, any Ordinary Shares to any person in a Restricted Jurisdiction and is not for distribution in, into or from a Restricted Jurisdiction.

### References to defined terms

Certain terms in this document are defined in the Section of this document headed "Definitions". In this document, references to "pounds sterling", "£", "pence" and "p" are to the lawful currency of the United Kingdom and references to "Dollars", "\$", "USD" or "cents" are to the lawful currency of the United States of America. All times referred to in this document are references to London time.

Copies of this document will be available free of charge during normal business hours on weekdays (excluding Saturdays, Sundays and public holidays) from the date hereof until 28 August 2018 from the Company's registered office and at the General Meeting. Copies will also be made available to download from the Company's website at [www.abmplc.com](http://www.abmplc.com).

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## PLACING AND ACQUISITION STATISTICS

Number of Existing Ordinary Shares in issue as at close of business on 7 August 2018	6,455,536,315
Number of Existing Ordinary Shares expected to be in issue immediately prior to the General Meeting*	6,455,536,400
Conversion ratio of Existing Ordinary Shares to New Ordinary Shares	100 Existing Ordinary Shares to one New Ordinary Share
Nominal value of each New Ordinary Share following the Capital Reorganisation	0.1 pence
Number of New Ordinary Shares following the Capital Reorganisation	64,555,364
Number of Placing Shares	6,666,666
Placing Price for New Ordinary Shares (as adjusted for the proposed Capital Reorganisation)	3 pence
Placing Shares as a percentage of New Ordinary Shares resulting from the consolidation of the Existing Ordinary Shares	10.3 per cent
Placing Shares as a percentage of Enlarged Share Capital	4.9 per cent
Estimated proceeds of the Placing to be received by the Company net of expenses relating to the Placing	£180,000
Number of Consideration Shares in respect of the Acquisitions	63,690,447
Number of Settlement Shares issued to the Directors	1,666,666
Number of New Ordinary Shares in issue following Admission (including the Placing Shares, the Consideration Shares and the Settlement Shares)	136,579,143
Market Capitalisation of the Company on Admission at the Placing Price	£4,097,374
Proposed new ISIN	GB00BYWJZ743
Proposed new SEDOL	BYWJZ74

\* Assuming no further issue of Existing Ordinary Shares prior to the issue of the Placing Shares other than the Capital Reorganisation Shares to be issued for the purposes of facilitating the Capital Reorganisation as described in this document

## EXPECTED TIMETABLE OF KEY EVENTS

Publication of this document	8 August 2018
Admission of and dealings in the Capital Reorganisation Shares expected to commence on AIM	Prior to the Record Date
Latest time and date for return of Forms of Proxy	10.00 a.m. on 23 August 2018
Last day of dealing in Existing Ordinary Shares	28 August 2018
Time and date of General Meeting	10.00 a.m. on 28 August 2018
Record Date for the Share Reorganisation and final date of trading for the Existing Ordinary Shares	6.00 p.m. on 28 August 2018
Results of General Meeting announced through RNS	28 August 2018
Admission of and dealings in New Ordinary Shares expected to commence on AIM	8.00 a.m. on 29 August 2018
Completion of the Acquisitions and Admission of and dealings in the Placing Shares, the Consideration Shares and the Settlement Shares expected to commence on AIM	8.00 a.m. on 29 August 2018
CREST Accounts credited with New Ordinary Shares	29 August 2018
Anticipated date of dispatch of definitive share certificates in respect of New Ordinary Shares	Within 10 Business Days of Admission
Anticipated date of dispatch of cheques following sale and purchase of Fractional Entitlements	Within 10 Business Days of Admission

**Note:**

1. Each of the times and dates in the above timetable is subject to change. If any of the above times and/or dates change, the revised times and/or dates will be notified to Shareholders by announcement on a Regulatory Information Service.
2. Temporary documents of title will not be issued.

## DEFINITIONS

The following definitions apply throughout this document unless otherwise stated or the context requires otherwise:

<b>"Acquisitions"</b>	the conditional acquisitions of CBH and RRIC by the Company;
<b>"Acquisition Agreements"</b>	the CBH Acquisition Agreement and the RRIC Acquisition Agreement;
<b>"Act"</b>	the Companies Act 2006 (as amended);
<b>"Admission"</b>	the admission of the New Ordinary Shares, the Placing Shares, the Consideration Shares and the Settlement Shares to trading on AIM becoming effective in accordance with the AIM Rules;
<b>"AIM"</b>	the AIM market operated by the London Stock Exchange;
<b>"AIM Rules"</b>	the AIM Rules for Companies, as published by the London Stock Exchange from time to time;
<b>"Articles"</b>	the articles of association of the Company from time to time;
<b>"Board" or "Directors"</b>	the board of directors of the Company, whose names are set out at page 6 of this document;
<b>"Business"</b>	means the business of exploration for the key metals used in next generation batteries that fuel the new electric vehicle revolution;
<b>"Business Day"</b>	a day (other than a Saturday, Sunday or public holiday) when banks are usually open for business in London;
<b>"Capital Reorganisation"</b>	the proposed consolidation of the Company's ordinary share capital pursuant to which every 100 Existing Ordinary Share will be consolidated into one New Ordinary Share pursuant to Resolution 1 as set out in the Notice of General Meeting;
<b>"Capital Reorganisation Shares"</b>	a total of 85 Ordinary Shares to be issued to the Company Secretary in connection with the Capital Reorganisation;
<b>"CBA"</b>	Cobalt Blue Associates Inc. a company incorporated in the British Virgin Islands with its registration number 1946733;
<b>"CBH"</b>	Cobalt Blue Holdings Inc. a company incorporated in the British Virgin Islands with its registration number 1957972;
<b>"CBH Acquisition"</b>	the acquisition by the Company of all of the issued share capital of CBH;
<b>"CBH Acquisition Agreement"</b>	the conditional acquisition agreement dated 8 August 2018 between CBA, TSI and the Company relating to the CBH Acquisition, further details of which are set out in this document;
<b>"CBH Consideration Shares"</b>	a total of 31,011,890 New Ordinary Shares to be issued to CBA and TSI on Admission in respect of the CBH Acquisition;
<b>"Company" or "ABM"</b>	African Battery Metals plc, a company incorporated in England and Wales with registered number 07800337;
<b>"Completion"</b>	completion of each of the Acquisitions;
<b>"Consideration Shares"</b>	the CBH Consideration Shares and the RRIC Consideration Shares;

<b>"CREST"</b>	the relevant system (as defined in the Regulations) in respect of which Euroclear UK & Ireland Limited is the operator (as defined in the Regulations);
<b>"Engagement Terms"</b>	the terms contained in the engagement letter dated 6 June 2018 of SP Angel to the Company with the Placing, further details of which are set out in this document;
<b>"Enlarged Group"</b>	the Group following Completion, as enlarged by the Acquisitions;
<b>"Enlarged Share Capital"</b>	the issued share capital of the Company following Admission, as enlarged by the Placing Shares, the Consideration Shares and the Settlement Shares;
<b>"Existing Ordinary Shares"</b>	the 6,455,536,315 Ordinary Shares in issue at the date of this document;
<b>"FCA "</b>	the Financial Conduct Authority;
<b>"Form of Proxy"</b>	the form of proxy for use by Shareholders in connection with the General Meeting, which is enclosed with this document;
<b>"Fractional Entitlements"</b>	a fractional entitlement to a New Ordinary Share arising from the Capital Reorganisation;
<b>"FSMA"</b>	Financial Services and Markets Act 2000 (as amended);
<b>"General Meeting"</b>	the general meeting of the Company convened for 10.00 a.m. on 28 August 2018 at which the Resolutions will be proposed, notice of which is set out at the end of this document;
<b>"Group"</b>	the Company and its Subsidiaries;
<b>"ISIN"</b>	International Security Identification Number;
<b>"London Stock Exchange"</b>	London Stock Exchange plc;
<b>"New Ordinary Shares"</b>	the new ordinary shares of 0.1 pence each in nominal value arising on completion of the Capital Reorganisation;
<b>"Notice of General Meeting"</b>	the notice of General Meeting set out at the end of this document;
<b>"Ordinary Shares"</b>	ordinary shares of 0.001 pence each in nominal value in the capital of the Company prior to completion of the Capital Reorganisation;
<b>"Overseas Shareholders"</b>	Shareholders with registered addresses in, or who are citizens, residents or nationals of, jurisdictions outside the UK;
<b>"Placing"</b>	the proposed placing by the Company of the Placing Shares at the Placing Price;
<b>"Placing Price"</b>	3 pence per Placing Share (as adjusted for the proposed Capital Reorganisation);
<b>"Placing Shares"</b>	6,666,666 New Ordinary Shares to be conditionally placed with subscribers by the Company or in accordance with the terms of the Engagement Terms;
<b>"Record Date"</b>	6.00p.m. on 28 August 2018 (or such other time and date as the Directors may determine);
<b>"Regulations"</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755);

<b>"Resolutions"</b>	the resolutions to be proposed at the General Meeting and set out in the Notice of General Meeting;
<b>"Restricted Jurisdiction"</b>	each of Canada, Japan, New Zealand and the Republic of South Africa and any other jurisdiction where the circulation or transmission of this document would breach any applicable law or regulation of such jurisdiction;
<b>"RNS"</b>	a regulatory news service operated by the London Stock Exchange;
<b>"RRCC"</b>	Regent Resources Capital Corporation a company incorporated in the British Virgin Islands with registration number 513517;
<b>"RRIC"</b>	Regent Resources Interests Corporation a company incorporated in the British Virgin Islands with registration number 1981905;
<b>"RRIC Acquisition"</b>	the acquisition by the Company of all of the issued share capital of RRIC;
<b>"RRIC Acquisition Agreement"</b>	the conditional acquisition agreement dated 8 August 2018 between RRCC and the Company relating to the RRIC Acquisition, further details of which are set out in this document;
<b>"RRIC Consideration Shares"</b>	the 32,678,557 New Ordinary Shares to be issued to RRCC on Admission in respect of the RRIC Acquisition;
<b>"Settlement Shares"</b>	a total of 1,666,666 New Ordinary Shares to be issued to Roger Murphy and Matthew Wood on Admission in respect of deferred salary;
<b>"Shareholder"</b>	a holder of Ordinary Shares whose names appear on the register of members of the Company;
<b>"Small Shareholders"</b>	Shareholders who hold fewer than 100 Ordinary Shares at the Record Date;
<b>"SP Angel"</b>	SP Angel Corporate Finance LLP, the Company's broker and Nominated Adviser;
<b>"Subsidiary"</b>	has the meaning given to it in section 1159 of the Act;
<b>"TSI"</b>	Two Shields Investments PLC a company incorporated in England with company number 02956279;
<b>"United Kingdom" or "UK"</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>"United States" or "US"</b>	the United States of America, each state thereof, its territories and possessions, and all areas subject to its jurisdiction;
<b>"uncertificated form"</b>	Ordinary Shares recorded in the share register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred within the CREST settlement system.

## **DIRECTORS, SECRETARY AND ADVISERS**

<b>Directors</b>	Roger Murphy Matthew Wood Iain Macpherson	<i>(Chief Executive Officer)</i> <i>(Executive Director and Finance Director)</i> <i>(Non-Executive Director)</i>
<b>Company Secretary</b>	Liam O'Donoghue	
<b>Registered office</b>	201 Temple Chambers 3-7 Temple Avenue London, EC4Y 0DT	
<b>Nominated Adviser and Broker</b>	SP Angel Corporate Finance LLP Prince Frederick House 35-39 Maddox Street London, W1S 2PP	
<b>UK Legal adviser to the Company</b>	Michelmores LLP 6 New Street Square London EC4A 3BF	
<b>Registrars</b>	Share Registrars Limited The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR	

# LETTER FROM THE CHIEF EXECUTIVE OFFICER OF AFRICAN BATTERY METALS PLC

*(incorporated in England and Wales with registered number 07800337)*

Directors:

Registered Office

Roger Murphy (*Chief Executive Officer*)  
Matthew Wood (*Executive Director and Finance Director*)  
Iain Macpherson (*Non-Executive Director*)

201 Temple Chambers,  
3-7 Temple Avenue,  
London  
EC4Y 0DT

8 August 2018

*To Shareholders and, for information purposes only, to the holders of options and warrants over Ordinary Shares*

Dear Shareholder.

**Proposed acquisition of Cobalt Blue Holdings Inc.  
Proposed acquisition of Regent Resources Interests Corporation  
Conditional Placing of 6,666,666 New Ordinary Shares at 3 pence per New Ordinary Share  
(as adjusted for the proposed Capital Reorganisation),  
Proposed issue of Settlement Shares  
Proposed Capital Reorganisation  
and  
Notice of General Meeting**

## 1. Introduction

The Company announced today that it has conditionally agreed to acquire the entire issued share capital of each of CBH and RRIC, each for a consideration to be satisfied by the issue to the sellers of 63,690,447 New Ordinary Shares.

The Company was also pleased to announce a conditional placing of 6,666,666 Placing Shares at a price of 3 pence per Placing Share (as adjusted for the proposed Capital Reorganisation), raising net proceeds of £180,000, in order to provide additional working capital for the Enlarged Group.

I am also writing in connection with the proposal also announced today, to consolidate the Ordinary Share capital of the Company, in order to increase the trading price of each ordinary share while reducing the number of Ordinary Shares in issue.

The purpose of this document is to provide Shareholders with information regarding each of the Acquisitions, the Placing and the Capital Reorganisation, to explain why the Board considers the Acquisitions, the Placing and the Capital Reorganisation to be in the best interests of the Company and its Shareholders as a whole, and why the Board unanimously recommends that Shareholders vote in favour of each of the Resolutions to be proposed at the General Meeting and to convene a General Meeting at which the Resolutions seeking Shareholder authority for the Capital Reorganisation and for the issue of the Placing Shares, the Consideration Shares and the Settlement Shares will be put to the Shareholders.

If Resolution 1 is not passed, the Company will be unable to implement the Capital Reorganisation. If all of the Resolutions are not passed, the Company will be unable to issue the Placing Shares, the Consideration Shares and the Settlement Shares and the Company will not be able to proceed with the Acquisitions.

Further information about the Acquisitions, the Placing, the Capital Reorganisation, the issue of the Settlement Shares and the Company's current trading and prospects is set out below.

You will find set out at the end of this document the Notice of General Meeting, to be held at Michelmores LLP, 6 New Street Square, London EC4A 3BF on 28 August 2018 at 10.00 a.m., at which the Resolutions will be proposed, in the case of Resolutions 1 and 2, as ordinary resolutions and, in the case of Resolution 3, as a special resolution.

## **2. Background to and reasons for the Acquisitions and the Placing**

The strategy of the Company is to become a significant explorer, developer and ultimately miner of battery metals, specifically cobalt, lithium, copper & nickel. To this end, ABM's strategy is to identify highly prospective opportunities at various stages of development in proven locations to acquire or farm into, which, with investment and development, have the potential to re-rate quickly and significantly enhance value for Shareholders.

The Directors believe that the proposed Acquisitions fit well with this strategy. Each represents a significant cobalt & nickel exploration opportunity, in two countries which add country risk diversification to the Group's exploration portfolio. In the case of the CBH Acquisition, the licences we are acquiring in Cameroon are close to Nkamouna, a large high-grade and, as yet, unmined cobalt reserve. The RRIC Acquisition is an earn-in to a licence in Ivory Coast, which is a well-established mining destination with a significant number of operating mines. Importantly, both Acquisitions offer the addition of nickel exploration, which adds to our suite of battery metals.

The identity of a number of the new incoming underlying Shareholders from the Acquisitions is an important factor in the Directors' decision to recommend the transaction to Shareholders as they are, in the Directors' opinion, successful mining investors and entrepreneurs in their own right. RRCC was founded by Stephen Dattels who also founded and sold several AIM mining companies including UraMin Inc., Oriel Resources plc and Caledon Resources plc. Another key member of the RRCC management team is Ian Stalker who is currently CEO of two energy metals companies LSC Lithium Corporation and Plateau Energy Metals Inc. The Board believes that these new Shareholders may be an important source of high quality opportunities in the battery metal space.

## **3. Details of the Acquisitions**

Each of the Acquisitions is conditional on completion of the other.

### ***CBH***

The Company has entered into a conditional acquisition agreement with CBA and TSI pursuant to which the Company has agreed to acquire the entire issued share capital of CBH. The consideration for the CBH Acquisition will be satisfied by the issue to CBA and TSI of the CBH Consideration Shares (which will be subject to a one year lock up).

CBH holds four Cameroon-based nickel-cobalt exploration licences through two 100% owned subsidiaries, LC Exploration Ltd (licences located at Ngoila Nord, Ngoila Est and Ekok) and LC Minerals Ltd (licence located at N'Dja). CBH, through its subsidiary LC Exploration Ltd, has also applied for two further Cameroon-based nickel-cobalt exploration licences at Ntam Est and Ngaoundéré. These licences expire on various dates the first quarter of 2021 unless renewed. The licences may be renewed three times for periods of two years provided that the obligations of the licensee under the licences have been met in the prior periods.

The locations of the four licences held and the Ntam Est licence applied for are either adjacent to, or within 50km of, the Nkamouna/Mada project. According to a report prepared for Geovic Mining Corp by SRK Consulting (US) Inc. in 2011, Nkamouna/Mada has total NI 43-101 compliant resource of 323Mt (18.5% measured, 18.8% indicated and 62.7% inferred) at average grades of 0.21% cobalt, 0.61% nickel and 1.25% manganese. According to the Nkamouna/Mada feasibility study, prepared by Lycopodium Minerals Pty Ltd for Geovic in 2011, production of around 6,100 tpa of cobalt and around 3,400 tpa of nickel is envisaged, and there are proven and probable reserves of 68.1mt at 0.26% cobalt, 0.66% nickel and 1.48% manganese.

The sixth licence area (Ngaoundéré) is in the north of the country.

The CBH Acquisition Agreement and related documents contain certain undertakings and warranties given by CBA and TSI, which are customary for a transaction of this nature.

The CBH Acquisition Agreement is capable of termination by the Company prior to Completion if the Company becomes aware of any fact which would constitute a breach of the warranties in respect of which the Company would have been entitled to claim for losses of not less than £15,000 or CBA or TSI is in material breach of any provision of the CBH Acquisition Agreement.

In connection with the CBH Acquisition, the Company, SP Angel and each of the sole shareholder of CBA, CBA and TSI (together the **CBH Concert Party**) have entered into a relationship agreement which, from Admission, will regulate the on-going relationship between the CBH Concert Party and the Company to ensure that the Company is capable of carrying on its business, conduct its affairs and take decisions for the benefit of the Company's members as a whole and independently of the CBH Concert Party and to ensure that transactions and relationships between the CBH Concert Party and the Company are at arm's length and on a commercial basis during a period when the CBH Concert Party together holds more than 20 per cent of the Company's issued Ordinary Shares. After Admission the CBH Concert Party will hold approximately 22.7% of the Enlarged Share Capital.

### ***RRIC***

The Company has entered into a conditional acquisition agreement with RRCC pursuant to which the Company has agreed to acquire the entire issued share capital of RRIC. The consideration for the acquisition of the shares in RRIC will be the issue to RRCC of the RRIC Consideration Shares (which will be subject to a one year lock up). RRCC has undertaken to settle on behalf of RRIC the sum of USD 100,000 to Lagune Exploration Afrique S.A. (**Lagune**) being the balance of payments due by RRIC to Lagune under the agreement detailed below.

RRIC has entered into an agreement with RRCC, Lagune and Lizetta Holding S.A.R.L. to earn into 70% of the Lizetta II chrome, nickel, cobalt exploration licence ("**Lizetta-II**") in Côte d'Ivoire by expending a total of USD 850,000 on the project over the period to June 2021. Lizetta-II is located 77 km NW of Bouake, which is 342 km north of Abidjan, the commercial capital of Côte d'Ivoire, and covers approximately 380 sq. km. Local infrastructure includes road access, the proximity of major river creeks and electric networks sufficient for any industrial operations on the property. Historical data shows anomalous concentrations of nickel, cobalt and chromite mineralisation in the ultramafic rocks of the Maradiassa-Alekro area. An independent assessment commissioned by RRCC confirmed the potential to host cobalt, nickel and chrome mineralisation of economic potential and proposed an initial field programme consisting of historical data compilation, geological mapping, geophysical surveys, trenching and RC drilling. The follow-up phase would be extensive drilling to allow the definition of a JORC/NI 43-101 code compliant Resource. In June 2018 the Côte d'Ivoire Government extended the commodities covered by Lizetta II to include cobalt and nickel. It was this addition of the two metals which made the licence attractive to the Company.

The RRIC Acquisition Agreement and related documents contain certain undertakings and warranties given by RRCC, which are customary for a transaction of this nature including a warranty that at Completion RRIC will have unencumbered cash in its bank account of not less than £50,000. This cash will be available to ABM for its exploration activities and can be seen by shareholders effectively as an additional investment in the shares of ABM by RRCC.

The RRIC Acquisition Agreement is capable of termination by the Company prior to Completion if the Company becomes aware of any fact which would constitute a breach of the warranties in respect of which the Company would have been entitled to claim for losses of not less than £25,000 or RRCC is in material breach of any provision of the RRIC Acquisition Agreement.

In connection with the RRIC Acquisition, the Company, SP Angel and RRCC have entered into a relationship agreement which, from Admission, will regulate the on-going relationship between RRCC and the Company to ensure that the Company is capable of carrying on its business, conduct its affairs and take decisions for the benefit of the Company's members as a whole and independently of RRCC and to ensure that transactions and relationships between RRCC and the Company are at arm's length and on a commercial basis during a period RRCC holds more than 20 per cent of the Company's issued Ordinary Shares. Under the relationship agreement RRCC will be entitled to nominate a Director to the Board (subject to such person being suitable in the opinion of the independent Directors and SP Angel) for so long as RRCC continues to hold more than 20 per cent. of the Company's issued Ordinary Shares. After Admission RRCC will hold approximately 23.9% of the Enlarged Share Capital.

Following Completion of the RRIC Acquisition, it is proposed that a non-executive director will be appointed to the board as a representative of RRCC as a shareholder in the Company. A further announcement will be made in due course regarding this proposed appointment.

#### **4. Principal risk in relation to the Acquisitions**

Exploration activities are dependent upon the grant, renewal or continuance in force of appropriate licences, permits and regulatory consents which may be valid only for a defined time period and subject to limitations or other

conditions related to operational activities. The Company will acquire a number of new exploration licences and permits and applications on Admission as outlined above. The Directors intend to maintain the good standing of the various exploration licences. However, if the Group fails to fulfil a specific term of any of its exploration licences or permits or if it operates its business in a manner that violates applicable law, government regulators may impose fines or suspend or terminate the licences or other authorisation, any of which could have a material adverse effect on the Group's results of operations, cash flows and financial condition.

In particular the existing exploration licence underlying the earn-in agreement that is the principal asset of RRIC, which falls due for renewal on 22 March 2019, requires expenditure of approximately £600,000 prior to 22 December 2018 in order to maintain its good standing plus expenditure to be agreed on the cobalt-nickel extension to the licence. The ABM management team and its newly acquired subsidiaries will be engaging with the government of Côte d'Ivoire very shortly after Admission in order to re-assess the work programme to be delivered, especially with the cobalt exploration licence extension having only recently been granted. The Directors believe that the Company will be able to raise any funding required.

## **5. Principal terms of the Placing**

The Company has conditionally raised £200,000, before expenses, through the Placing of 6,666,666 Placing Shares at 3 pence per Placing Share (following the Capital Reorganisation) with certain existing Shareholders and new investors. The Placing Price of 3 pence per Placing Share represents a 7.8 per cent. discount to the deemed closing middle market price (as adjusted to take account of the proposed Capital Reorganisation) of 3.25 pence per Ordinary Share on 7 August 2018, being the last Business Day before the announcement of the Placing.

SP Angel, in their capacity as financial adviser to the Company and placing agent, have conditionally placed some of the Placing Shares with certain investors. The Placing is not underwritten.

The Placing is conditional, *inter alia*, upon:

- a) the passing of each of the Resolutions to be proposed at the General Meeting;
- b) the completion of each of the Acquisitions; and
- c) Admission becoming effective by not later than 8.00 a.m. on 29 August 2018 (or such later time and/or date as may be decided between the Company and SP Angel on behalf of the placees).

Accordingly, if any of such conditions are not satisfied, or, if applicable, waived, the Placing will not proceed.

Application will be made for the Placing Shares to be admitted to trading on AIM subject to the passing of the Resolutions at the General Meeting. It is expected that Admission will become effective on 29 August 2018 and that dealings for normal settlement in the Placing Shares will commence at 8.00 a.m. on 29 August 2018.

The Placing Shares, when issued and fully paid, will rank *pari passu* in all respects with the New Ordinary Shares and will rank for all dividends or other distributions declared, made or paid after the date of issue of the Placing Shares.

## **6. Use of Placing Proceeds**

The net proceeds of the Placing, along with the Company's existing cash and the £50,000 within RRIC, will be used for the working capital requirements of the Enlarged Group. The Company intends to undertake first pass field exploration on both assets in the short term and communicate results to the market.

## **7. General Trading and Prospects**

On 20 June 2018 the Company announced its unaudited interim results for the six month period to 31 March 2018. This report included a summary of current activities and trading and can be downloaded from the Company's website at [www.abmplc.com](http://www.abmplc.com). In line with the Company's stated strategy, the Board continues to be shown interesting and potentially significant projects, both exploration and producing opportunities, within the battery metals space. As noted elsewhere the incoming shareholders are expected to be a significant source of quality deal flow. The Board will continue to assess these opportunities as potential additions to the Group's licence portfolio and is also in the process of assessing the merits of its existing gold exploration assets, as part of the same review.

## **8. Additional Board Appointments**

It is proposed that, in due course, a non-executive director will be appointed to the Board as a representative of RRCC as a substantial shareholder in the Company. Additionally, the Company intends to appoint a further independent non-executive director to the Board.

Further announcements will be made in due course.

## **9. The Capital Reorganisation**

### ***Background***

As at 7 August 2018 (being the latest practicable date prior to the publication of this document), the Company had 6,455,536,315 Existing Ordinary Shares in issue, which are admitted to trading on AIM, having a mid-market price per Existing Ordinary Share at the close of business on such date of 0.0325 pence. This is a significant number of shares for a company with a market capitalisation of approximately £2 million (as at 7 August 2018, being the latest practicable date prior to the publication of this document). The nominal value of such shares is 0.001 pence.

The effect of the proposed Capital Reorganisation will be to reduce the number of ordinary shares in issue by a factor of 100, whilst increasing the trading price of the Company's New Ordinary Shares.

The Board believes that the Capital Reorganisation will result in a capital structure more conducive to attracting new institutional investors based both overseas and in the UK. The Board also believes that the Capital Reorganisation will increase market liquidity in the Company's shares by reducing volatility and spread of the Company's shares.

The Capital Reorganisation will consist of the following steps:

- a) a subscription for the Capital Reorganisation Shares by the Company Secretary, such shares to be issued to ensure that the Company's issued Ordinary Share capital is exactly divisible by 100;
- b) a consolidation of every 100 Existing Ordinary Share of 0.001 pence each into one New Ordinary Share of 0.1 pence each; and
- c) the sale of all fractional entitlements arising on the Capital Reorganisation.

### ***Subscription***

The Company intends to issue the Capital Reorganisation Shares prior to the Record Date, so as to ensure that the total number of Ordinary Shares in issue prior to the completion of the Capital Reorganisation is exactly divisible by 100. The Capital Reorganisation Shares will be issued to the Company Secretary at a subscription price which reflects the closing middle market price of an Ordinary Share on the latest practicable date prior to the subscription. The Capital Reorganisation Shares are expected to be admitted to trading on AIM prior to the Record Date.

### ***The Capital Reorganisation***

The Board is proposing that the Existing Ordinary Shares of 0.001 pence each in nominal value are consolidated on a 100-for-1 basis such that every 100 Ordinary Shares are consolidated into and re-designated as one New Ordinary Share of 0.1 pence each in nominal value.

Assuming an issued share capital immediately prior to the General Meeting of 6,455,536,400 Ordinary Shares of 0.001 pence each in nominal value, following Capital Reorganisation the Company's issued share capital will consist of 64,555,364 New Ordinary Shares of 0.1 pence each in nominal capital.

Unless your holding of Existing Ordinary Shares is exactly divisible by 100 you will be left with a Fractional Entitlement to a New Ordinary Share if Resolution 1 is approved.

Resolution 1, which is an ordinary resolution, makes provision for the Capital Reorganisation.

### *Sale of Fractional Entitlements*

No Shareholder will be entitled to a fraction of a New Ordinary Share. Instead, their entitlement will be rounded down to the nearest whole number of New Ordinary Shares. Fractional Entitlements to a New Ordinary Share will be aggregated and the whole number of shares will be sold on behalf of the Company for the best price reasonably obtainable.

Article 9 of the Articles authorises the Directors to make such arrangements as may be thought fit for the sale of such shares and for the distribution among the persons entitled thereto of the net proceeds of such sale. **The costs (including the associated professional fees and expenses) that would be incurred in distributing such proceeds to the Fractional Shareholders are likely to exceed the total net proceeds distributable to such Fractional Shareholders.** In the Board's view, any such costs would therefore be disproportionate in the circumstances. Given that the mid-market price of the Existing Ordinary Shares at the close of business on 7 August 2018 was 0.0325 pence per Existing Ordinary Share, the Board therefore considers it unlikely that any Fractional Shareholders would become entitled to receive any proceeds arising from the sale of New Ordinary Shares formed by the aggregation of fractions of New Ordinary Shares. The Board has consequently decided that proceeds arising from the sale of New Ordinary Shares formed by the aggregation of fractions of New Ordinary Shares will be retained for the benefit of the Company in accordance with Resolution 1.

If a Shareholder holds fewer than 100 Existing Ordinary Shares as at the Record Date, such that the rounding down process results in a Shareholder being entitled to zero New Ordinary Shares, then they will cease to hold any Ordinary Shares (of any description) in the Company. Accordingly Shareholders currently holding fewer than 100 Existing Ordinary Shares who wish to remain a Shareholder of the Company following the Capital Reorganisation would need to increase their shareholding to at least 100 Existing Ordinary Shares prior to the Record Date. Shareholders in this position are encouraged to obtain independent financial advice before taking any action.

The proposed Capital Reorganisation will not involve the diminution of any liability in respect of unpaid capital or the payment to any Shareholder of any paid-up capital of the Company and has no effect on the shareholders' funds of the Group.

Resolution 1, which is an ordinary resolution, makes provision for the sale of Fractional Entitlements

### *Resulting share capital*

The New Ordinary Shares created by the Capital Reorganisation will have the same rights as the Existing Ordinary Shares. Immediately following the proposed Capital Reorganisation the Company will apply for the Admission of the New Ordinary Shares to trading on AIM. It is anticipated that dealings in the Existing Ordinary Shares will continue until the close of business on 28 August 2018 and that dealings in the New Ordinary Shares will commence at 8.00 a.m. on 29 August 2018, being the next Business Day after the General Meeting.

The issued share capital of the Company immediately following the Capital Reorganisation, but before the issue of the Placing Shares, the Consideration Shares and the Settlement Shares, is expected to comprise 64,555,364 New Ordinary Shares of 0.1 pence each in nominal value, which will be equal to the aggregate of the number of issued Ordinary Shares immediately prior to the Capital Reorganisation divided by 100.

Examples of the effect that the Capital Reorganisation could have on a Shareholder's holding of Ordinary Shares are set out below:

#### *Example 1 - Small Shareholders*

If a Small Shareholder holds 50 Existing Ordinary Shares at the Record Date, such Small Shareholder will, following the implementation of the Capital Reorganisation, hold a Fractional Entitlement (half) to a New Ordinary Share. The Small Shareholder will cease to hold any Ordinary Shares and the Fractional Entitlement will be aggregated with other Fractional Entitlements and sold for the benefit of the Company.

#### *Example 2 - other Shareholders*

If a Shareholder holds 150 Existing Ordinary Shares at the Record Date, such Shareholder will, following the implementation of the Capital Reorganisation, hold one New Ordinary Share derived from 100 Existing Ordinary Shares with the remaining 50 Existing Ordinary Shares forming a Fractional Entitlement of a New Ordinary Share

(half). The Fractional Entitlement will be aggregated with other Fractional Entitlements and sold for the benefit of the Company.

### ***Rights attaching to the New Ordinary Shares***

The New Ordinary Shares arising on implementation of the Capital Reorganisation will have the same rights as the Existing Ordinary Shares, including voting, dividend and other rights.

### ***Effect on options***

The entitlements to Existing Ordinary Shares of holders of options over Existing Ordinary Shares will, conditional upon, and with immediate effect from, completion of the Capital Reorganisation, be adjusted in accordance with the terms of such options in order to reflect the effect of the Capital Reorganisation.

### ***Effect on warrants***

The entitlements to Existing Ordinary Shares of holders of warrants over Existing Ordinary Shares will, conditional upon, and with immediate effect from, completion of the Capital Reorganisation, be adjusted in accordance with the terms of such warrants in order to reflect the effect of the Capital Reorganisation.

### ***Effect on Existing Authorities***

The Existing Authorities which are proposed at the 2018 Annual General Meeting of the Company are not affected by the Capital Reorganisation since the aggregate nominal value of the total issued share capital will remain unchanged following the Capital Reorganisation. As such, subject to Shareholder approval being obtained at the General Meeting, the Existing Authorities will remain in effect following the Capital Reorganisation.

## **10. General Meeting**

The Capital Reorganisation and the issue of the Placing Shares, the Consideration Shares and the Settlement Shares are each conditional upon, *inter alia*, the approval by the Shareholders of the relevant Resolutions to be proposed at the General Meeting of the Company. A notice convening the General Meeting to be held at Michelmores LLP, 6 New Street Square, London EC4A 3BF at 10.00 a.m. on 28 August 2018 is set out at the end of this document, at which the following Resolutions will be proposed to enable the Capital Reorganisation and the issue of the Placing Shares, the Consideration Shares and the Settlement Shares.

### **Resolution 1 – Capital Reorganisation**

Resolution 1 is an ordinary resolution to consolidate every Existing Ordinary Share in issue as at the Record Date into one New Ordinary Share of 0.1 pence each having the same rights as the Existing Ordinary Shares. Resolution 1 will be proposed to authorise the Directors, where such capital reorganisation results in any member being entitled to a fraction of a New Ordinary Share, to aggregate such fractions and sell (or appoint another person to sell) such fractions for the benefit of the Company.

### **Resolution 2 – Authority to allot shares**

Resolution 2, which is conditional on the passing of Resolution 1, is an ordinary resolution to authorise the Directors under section 551 of the Act to issue and allot New Ordinary Shares. The Act requires that the authority of Directors to allot shares and to make offers or agreements to allot shares in the Company or grant rights to subscribe for or convert any security into shares (the "relevant securities") should be subject to the approval of Shareholders in a general meeting or to an authority set out in the Articles. Accordingly, Resolution 2 will be proposed to authorise the Directors to allot relevant securities in respect of the issue of the Placing Shares, the Consideration Shares and the Settlement Shares and additionally to authorise the Directors to allot and issue up to a further 68,289,570 New Ordinary Shares (approximately 50 per cent. of the Enlarged Share Capital). This authority supersedes all existing authorities under section 551 of the Act and will expire at on the conclusion of the Company's next Annual General Meeting.

### **Resolution 3 – Disapplication of statutory pre-emption rights**

Resolution 3, which is conditional on the passing of Resolutions 1 and 2, is a special resolution to disapply the statutory pre-emption rights under section 571 of the Act in respect of equity securities (as defined in section 560 of the Act). The Act requires that any equity securities issued wholly for cash must be offered to existing Shareholders in proportion to their existing shareholdings unless otherwise approved by Shareholders in a general meeting or accepted under the Company's articles of association. The Placing Shares are not being offered to Shareholders in proportion to their existing holdings. A special resolution will be proposed at the General Meeting to give the Directors authority to allot equity securities for cash other than on a pro rata basis pursuant to the authority set out in Resolution 2. This disapplication of the statutory pre-emption rights supersedes all existing disapplications under section 571 of the Act and will expire at on the conclusion of the Company's next Annual General Meeting.

#### **11. Application and Admission**

Conditional upon the Resolutions being passed and the Capital Reorganisation being approved by Shareholders at the General Meeting, application will be made for the New Ordinary Shares (including the Placing Shares, the Consideration Shares and the Settlement Shares) to be admitted to trading on AIM.

Subject to the Resolutions being passed, dealings in the Existing Ordinary Shares will cease at the close of business on the date of the General Meeting. Admission and dealings in the New Ordinary Shares are expected to commence on the following Business Day. Shareholders will be able to trade in the New Ordinary Shares during the period between Admission and the date on which Shareholders receive share certificates in respect of the New Ordinary Shares. During this period and pending the issue of certificates, transfers will be certified against the Company's share register.

Following the Capital Reorganisation, the Company's new ISIN will be GB00BYWJZ743 and its new SEDOL will be BYWJZ74.

If you are in any doubt with regard to your current shareholding in Existing Ordinary Shares or the Capital Reorganisation, you should contact our registrar, Share Registrars Limited, on: +44 (0) 1252 821390 between 9.00 a.m. and 5.30 p.m. on any Business Day.

#### **12. Share Certificates and CREST**

If you hold a share certificate in respect of your Existing Ordinary Shares it will no longer be valid from the time the proposed Capital Reorganisation takes effect. You will be sent a new share certificate within 10 Business Days of Admission and upon receipt thereof should destroy the old certificate(s). If you hold your Existing Ordinary Shares in uncertificated form (that is, in CREST), you should expect to have your CREST account adjusted to reflect your entitlement to New Ordinary Shares on 29 August 2018 or as soon as practicable after the Capital Reorganisation takes effect. Existing Ordinary Shares credited to any stock account in CREST will be disabled and all Existing Ordinary Shares will be removed from CREST in due course.

#### **13. United Kingdom Taxation**

The following summary is intended as a general guide only and relates to the UK taxation treatment of the Capital Reorganisation. It is based on current UK tax law and the current published HM Revenue and Customs practice applying in the case of those holders of Existing Ordinary Shares who are residents of the UK for tax purposes, are the beneficial owners of those shares and hold them as investments. Certain holders of Ordinary Shares, such as dealers in securities, insurance companies, collective investment schemes and persons who have acquired their shares by reason of their or another's employment, may be taxed differently and are not considered here.

Any person who is in any doubt as to his or her tax position, or who is resident, domiciled or otherwise subject to taxation in any jurisdiction other than the UK, should consult his or her financial adviser immediately.

It is expected that for the purposes of UK taxation on chargeable gains the Capital Reorganisation will be treated as a reorganisation of the share capital of the Company. Accordingly, holders of Existing Ordinary Shares should not normally be treated as making a disposal of all or part of their holding of Existing Ordinary Shares by reason of the Capital Reorganisation being implemented. The New Ordinary Shares which replace their holding of Existing Ordinary Shares as a result of the Capital Reorganisation should be treated as being acquired at the same time as their holding of Existing Ordinary Shares was acquired.

To the extent that a Shareholder receives cash by virtue of a sale on his behalf of any New Ordinary Shares to which he or she has a Fractional Entitlement, the Shareholder will not in practice normally be treated as making a part disposal of the Shareholder's holding of Existing Ordinary Shares if the proceeds are "small" as compared with the value of the Existing Ordinary Shares in respect of which such payment arises. However the proceeds will, provided that they do not exceed the acquisition cost of the Shareholder's Existing Ordinary Shares, be deducted from the base cost of the Shareholder's new holding. If those proceeds exceed that base cost, however, the Shareholder will be treated as disposing of part or all of his holding of Existing Ordinary Shares and may, depending on his circumstances, be subject to tax in respect of any chargeable gain thereby realised. HM Revenue and Customs normally treats proceeds as "small" if the amount of the proceeds does not exceed five per cent. of the market value of that Shareholder's Existing Ordinary Shares, or £3,000 (regardless of whether the value of the disposal also passes the five per cent. test).

#### **14. Settlement Shares**

In March 2018, the Directors agreed to defer some of their salary until such time as the Company made an acquisition or raised further funds. Consequently, upon completion of the Acquisitions and the raising of further capital through the issue of the Placing Shares, that deferred salary now falls due and the Company will issue to the Directors, in settlement of the payment of deferred salary, New Ordinary Shares as follows:

<i>Director</i>	<i>Settlement Shares to be issued on Admission</i>	<i>Total number of New Ordinary Shares held on Admission*</i>	<i>% of Enlarged Share Capital held on Admission*</i>
Roger Murphy	833,333	1,682,758	1.2%
Matthew Wood	833,333	1,250,970	0.9%

\*As adjusted by the proposed issue of Consideration Shares, Settlement Shares, Placing Shares and the proposed Capital Reorganisation.

#### **15. Management long term incentive plan**

Shortly after Admission, the Directors intend that the Company will adopt a long-term incentive plan for the Directors and certain senior management in order to retain and incentivise them and also to align their interests with those of Shareholders. Further details will be announced in due course.

#### **16. Related Party Transaction**

The issue of the Settlement Shares described above in paragraph 14 is a related party transaction for the purposes of the Rule 13 of the AIM Rules by virtue of the Settlement Shares being issued to Roger Murphy and Matthew Wood. Iain Macpherson, the independent Director for the purposes of the issue of the Settlement Shares considers, having consulted with the Company's nominated adviser, SP Angel, that the issue of the Settlement Shares to such related parties is fair and reasonable insofar as the Shareholders are concerned.

#### **17. Action to be taken**

Shareholders will find a Form of Proxy enclosed with this document for use at the General Meeting. Whether or not you intend to be present at the General Meeting, you are requested to complete and return the Form of Proxy in accordance with the instructions printed thereon as soon as possible. To be valid, completed Forms of Proxy must be received by the Company's Registrars, Share Registrars Limited The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR by not later than 10 a.m. on 23 August 2018. Completion of the Form of Proxy will not preclude you from attending the meeting and voting in person if you so wish.

#### **18. Recommendation**

**The Board considers each of the Capital Reorganisation, the Acquisitions and the issue of the Placing Shares to be in the best interests of the Company and its Shareholders as a whole.**

**Iain Macpherson considers the issue of the Settlement Shares to be in the best interests of the Company and its Shareholders as a whole.**

**Accordingly, the Board recommends that you vote in favour of each of the Resolutions to be proposed at the General Meeting, as those Directors who, directly or indirectly, hold Ordinary Shares intend to do in respect**

**of their own, direct or indirect, holdings amounting, in aggregate, to 255,449,689 Ordinary Shares and representing approximately 4.0 per cent. of the Existing Ordinary Shares.**

**If Resolution 1 is not passed, the Company will be unable to carry out the Capital Reorganisation, and if all the Resolutions are not passed the Company will be unable to issue the Placing Shares, the Consideration Shares and the Settlement Shares and the Company will not be able to proceed with the Acquisitions.**

Yours faithfully,

Roger Murphy  
*Chief Executive Officer*

## NOTICE OF GENERAL MEETING

### AFRICAN BATTERY METALS PLC

(Registered in England and Wales with no. 07800337)

**NOTICE** is hereby given that a General Meeting of African Battery Metals plc (the "**Company**") will be held at the offices of Michelmores LLP, 6 New Street Square, London EC4A 4BF on 28 August 2018 at 10.00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions of which Resolutions 1 and 2 will be proposed as ordinary resolutions and Resolution 3 will be proposed as a special resolution (defined terms having the meanings given to them in the circular to the shareholders of the Company dated 8 August 2018):

#### ORDINARY RESOLUTIONS

1. **THAT** with effect from 6.00 p.m. on 28 August 2018 (or such other time and date as the directors of the Company (the "**Directors**") may determine) (the "**Record Date**"), every 100 existing ordinary shares of 0.001 pence each in nominal value in issue as at the Record Date (the "**Existing Ordinary Shares**") in the capital of the Company, be consolidated into one new ordinary share of 0.1 pence each in nominal value (the "**New Ordinary Shares**") having the same rights as the Existing Ordinary Shares, provided that where such consolidation results in any member being entitled to a fraction of a New Ordinary Share, such fraction shall be aggregated with other such fractions and the Directors be and are hereby authorised to sell (or appoint another person to sell) such fractions for the benefit of the Company.
2. **THAT**, conditional upon Resolution 1 being passed, the Directors be and they are hereby generally and unconditionally authorised, pursuant to section 551 of the Companies Act 2006 (the "**2006 Act**") to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into such shares (all of which transactions are hereafter referred to as an allotment of "**relevant securities**"):
  - (a) the Placing Shares, the Consideration Shares and the Settlement Shares; and
  - (b) up to a further aggregate nominal amount of £68,290,in each case for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) 15 months after the date of the passing of this resolution or at the conclusion of the next annual general meeting of the Company following the passing of this resolution, whichever occurs first, provided that the Company may before such expiry, variation or revocation make an offer or agreement which would or might require such relevant securities to be allotted after such expiry, variation or revocation and the Directors may allot relevant securities pursuant to such an offer or agreement as if the authority conferred hereby had not expired or been varied or revoked. This resolution revokes and replaces all unexercised authorities previously granted to the Directors to allot relevant securities but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

#### SPECIAL RESOLUTION

3. **THAT**, conditional upon Resolutions 1 and 2 being passed, the Directors be and are hereby empowered pursuant to the Articles and section 570 of the 2006 Act, to allot equity securities (as defined by section 560 of the 2006 Act) for cash pursuant to the authority conferred by Resolution 2 above as if section 561 of the 2006 Act did not apply to any such allotments. Such power shall, subject to the continuance of the authority conferred by Resolution 2, expire 15 months after the passing of this resolution or at the conclusion of the next annual general meeting of the Company following the passing of this resolution, whichever occurs first, but may be previously revoked or varied from time to time by Special Resolution but so that the Company may before such expiry, revocation or variation make an offer or agreement which would or might require equity securities to be allotted after such expiry, revocation or variation and the Directors may allot equity securities in pursuance of such offer or agreement as if such power had not expired or been revoked or varied. This resolution revokes and replaces all unexercised powers previously granted to the Directors to allot equity securities as if section 561 of the 2006 Act did not apply but without prejudice to any allotment of equity securities already made or agreed to be made pursuant to such authorities.

BY ORDER OF THE BOARD

**Roger Murphy**  
Chief Executive Officer  
8 August 2018

Registered office:

201 Temple Chambers  
3-7 Temple Avenue  
London EC4Y 0DT

**Notes:**

1. Only holders of ordinary shares, or their duly appointed representatives, are entitled to attend, vote and speak at the meeting.
2. A member entitled to attend, speak and vote at the above meeting is entitled to appoint one or more proxies to attend, speak and vote instead of him/her. A proxy need not also be a member of the Company. You may appoint more than one proxy provided each proxy is appointed to exercise rights attaching to different shares.
3. A form of proxy is enclosed. To appoint a proxy using the proxy form, the form must be:
  - completed and signed;
  - sent or delivered to Share Registrars Limited at The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR or by facsimile transmission to 01252 717 233;
  - alternatively, the completed proxy form can be scanned and emailed to [voting@shareregistrars.uk.com](mailto:voting@shareregistrars.uk.com); and
  - received by Share Registrars Limited no later than 10.00 a.m. on 23 August 2018 (or, if the meeting is adjourned, 48 hours prior to the adjourned meeting (excluding non-working days)).
4. In the case of a corporation, the form of proxy must be executed under its common seal or signed on its behalf by a duly authorised attorney or duly authorised officer of the corporation.
5. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
6. To appoint more than one proxy, you may photocopy the form of proxy. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which in aggregate shall not exceed the number of shares held by you). Please also indicate if the proxy is part of a multiple set of instructions being given. All forms must be signed and should be returned together in the same envelope. A failure to specify the number of shares each proxy appointment relates to, or specifying a number in excess of those held by you may result in the appointment being invalid. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact the Company's registrar.
7. Pursuant to Regulation 41 of The Uncertificated Securities Regulations 2001 and paragraph 18(c) of The Companies Act 2006 (Consequential Amendments) (Uncertificated Securities) Order 2009, the Company specifies that only those members registered on the Company's register of members 48 hours before the time of the Meeting shall be entitled to attend and vote at the Meeting. In calculating the period of 48 hours mentioned above no account shall be taken of any part of a day that is not a working day. Subsequent changes to entries on the register after this time shall be disregarded in determining the rights of any persons to attend or vote at the meeting.
8. In the case of joint holders, the signature of only one of the joint holders is required on the form of proxy, but the vote of the first named on the Register of Members of the Company will be accepted to the exclusion of other joint holders.
9. As at the close of business on 7 August 2018, the Company's issued share capital comprised 6,455,536,315 ordinary shares of 0.001p each, 356,848,594 deferred shares of 0.9 pence each with no rights to vote at a general meeting and 3,271,746,363 deferred A shares of 0.099 pence each with no rights to vote at a general meeting. Each ordinary share carries the right to one vote at a general meeting of the Company, and therefore the total number of voting rights in the Company as at the time and date given above is 6,455,536,315.
10. A copy of this notice and the information required to be published by section 311(A) of the Act can be found at [www.abmplc.com](http://www.abmplc.com). Shareholders may not use any electronic address provided in either this Notice of Meeting or any related documents (including the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.