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Blencowe Resources Plc

("Blencowe" or the "Company")

Blencowe receives first US\$1 Million Grant funding from Development Finance Corporation for Orom-Cross Graphite Project

Initial 20% Mobilisation tranche paid to Blencowe for Project Feasibility Costs

Blencowe Resources Plc ("Blencowe" or the "Company") (LSE: BRES) is pleased to announce it has received its first US\$1 million mobilisation tranche payment from the Development Finance Corporation ("DFC"). This represents 20% of the full US\$5 million DFC grant for Definitive Feasibility Study ("DFS") costs, recently completed and announced by Blencowe.

Blencowe announced on 22 September that the Company had secured a US\$5 million grant from tier one funding provider DFC to cover a substantial part of the DFS costs for the Orom-Cross Project. Furthermore, DFC is now the lead mandated partner to deliver a full funding solution for Orom-Cross production, assuming completion of a successful DFS.

Blencowe is confident that this unique strategic relationship will now open doors to unlock additional value at Orom-Cross by expanding the project in ways previously considered not possible due to capital constraints.

Orom-Cross is one of the largest graphite projects worldwide by size and scale of deposit and a 21 year Mining License has already been awarded. Blencowe took the project through a successful Pre-Feasibility Study in 2022 and is now embarked on the Definitive Feasibility Study as it drives towards decision to mine. Metallurgical test results by leading graphite industry experts in South Africa, Canada, Australia and China have all underlined Orom-Cross graphite as upgrading to one of the cleanest, purest high grade concentrates of any graphite project, with an excellent mix of both coarse and smaller flakes. This has recently been confirmed again on a commercial scale within the 100 tonne bulk sample test programme conducted at one of the leading graphite producer's facility in China.

Cameron Pearce, Executive Chairman commented;

"This first US\$1 million received is of significance firstly because it is completely undilutive funding for Blencowe and its shareholders, and secondly because it solidifies the critical strategic relationship that has been developed between our Company and the DFC. I would like to emphasise once again that the Grant Agreement with DFC does not require Blencowe to match funds input by them. Their US\$5 million funding is provided via this initial mobilisation tranche and thereafter by further tranches that are paid upon Blencowe achieving as-agreed milestones, which are all key deliverables within the DFS program. We are already well advanced in our achievement of the next milestone which would access and release another US\$1 million payment from DFC."

Mr Pearce added *"The DFC Grant Agreement also has no pre-set marketing restrictions and we remain committed to achieving the best offtake partnerships for our products wherever they may be. Our bulk sample pre-qualification process is well underway and we have considerable offtake interest from recent marketing in China. We look forward to the completion of critical SPG testing in USA to prove that Orom-Cross can ultimately produce an efficient 99.95% uncoated battery-ready product for the anode market which will then lead to further OEM SPG testing as part of our DFS."*

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Background

Orom-Cross Graphite Project

Orom-Cross is a potential world class graphite project both by size and end-product quality, with a high component of more valuable larger coarse flakes within the deposit.

A 21-year Mining Licence for the project was issued by the Ugandan Government in 2019 following extensive historical work on the deposit. Blencowe completed a successful Pre-Feasibility Study on the Project in July 2022 and is now within

work on the deposit. Brincow completed a successful pre-feasibility study on the project in July 2022 and is now within the Definitive Feasibility Study phase as it drives towards first production.

Orom-Cross presents as a large, shallow open-pit-able deposit, with an initial JORC Indicated & Inferred Mineral Resource of 24.5Mt @ 6.0% TGC (Total Graphite Content). This Resource has been defined from only ~2% of the total tenement area which presents considerable upside potential ahead. Development of the resource is expected to benefit from a low strip ratio and free dig operations together with abundant inexpensive hydro-electric power off the national grid, thereby ensuring low operating costs. With all major infrastructure available at or near to site the capital costs will also be relatively low in comparison to most graphite peers.

Development Finance Corporation (DFC)

The DFC is the primary US Government finance institution set up to provide financially sound funding solutions for private-sector initiatives pertaining to critical challenges facing the world, in this case the drive towards increased sustainability across the planet. It is an agency of the United States federal government and represents US interests.

DFC's lending capacity is used to provide loans, guarantees, equity investments and political-risk insurance for private-sector led development projects, feasibility studies and technical assistance. DFC invests across several sectors with stated goals of empowerment, innovation, investment into Africa, green energy and climate change.

Orom-Cross is directly linked with several of these goals. This project may ultimately become one of the largest graphite producing operations in the world over a very long mine life, delivering an end-product in a sustainable manner which is a non-replaceable input component to lithium-ion batteries. Demand for graphite is accelerating at a rate where it is doubling every few years, and is expected to continue growing exponentially into the future. Graphite is therefore high on the US Government critical metals and minerals list and assisting to open up long term supply chain of graphite is a key strategy.

Orom-Cross will also deliver a 'green' graphite product through a variety of production initiatives, including the use of hydro-electric power for all mining and processing energy requirements. Orom-Cross aims to become one of the leading sustainable mining projects worldwide and this is a very important component of the DFC charter and critical within a rapidly changing landscape where every participant along the EV supply chain will be audited on their sustainability credentials by OEMs.

Orom-Cross's potential ability to aid in the further development of the Ugandan economy, empowering its population and driving investment and future development has also proved attractive to the DFC.

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