

Red Rock Resources Plc
("Red Rock" or the "Company")

Issue of Convertible Loan Notes - Closing of First Tranche

19 October 2023

Red Rock Resources Plc, the natural resources development company, with interests in gold, copper, cobalt and other minerals, announces the Board's approval to issue Convertible Loan Notes October 2023 ("Notes") to raise up to £500,000 at a price of £10,000 per Note as constituted by the Red Rock Resources Plc Note Deed, dated 17 October 2023.

To date, via the Company's broker First Equity Limited, £210,000 were raised before expenses by subscription to 21 Notes, which closes the First Tranche of the Notes issue. The Notes issue date is expected to be on or around 23 October 2023, subject to received funds. The Notes, identifiable with the ISIN: GB00BR3TH788, will not be traded on any exchange.

The net proceeds of the Notes will be used for the Company's activities in Kenya and Zimbabwe and for general working capital purposes, pending the anticipated receipt of funds from the DRC.

Main Terms of the Convertible Loan Notes October 2023

"Notes" means up to £500,000 of Convertible Loan Notes October 2023, issued by the Company at a price of £10,000 per Note, constituted by this Deed;

"Note Interest" means 6%, plus 0.5% per month or part thereof from Issue Date to Conversion Date or Repayment Date;

"Conversion Date" means five working days after the next placing of Shares by the company to raise £200,000 or more ("Placing"), provided such Placing is within six months of the Issue Date;

"Conversion Terms" - upon a Placing being carried out by the Company a holder of Notes shall elect either:

- (a) by notice to the Company in any agreed or acknowledged form ("Conversion Notice") to convert his Notes plus Note Interest (the "Due Amount") into Shares at the Conversion Date at a 15% discount to the Placing Price"; or
- (b) to be repaid the Due Amount in cash ("Cash Election") within 7 days of the Conversion Date ("Payment Date");

"Penalty Interest" means, in the event of late payment by the Company of any obligation arising under this Deed ("Default") an interest rate of 10% plus 1 % for each month or part of a month from the date of Default until payment;

"Repayment Date" - in the event that no Placing occurs by the Final Date, is that date within seven days of the Final Date upon which the Due Amount, being the date falling six months after the issue Date, shall be repaid to the holder of a Note;

"Conversion Warrants" - for every Share issued to the holder of a Note pursuant to the

Conversion Terms, or that would have been issued to a holder had he not made the Cash Election, one warrant will be issued convertible into a Share, with a life of 30 months and an exercise price 50% above the Placing Price;

"Non-Conversion Warrants" in the event of Repayment of a holder of Notes at the Final Date, the holder will receive for each Note 4,500,000 warrants with a life of 30 months and an exercise price of 0.25p per Share;

"Broker Warrants" - for every 12 Warrants issued to holders on conversion or non-conversion, 1 Broker Warrant to be issued to First Equity Limited on the same terms as the holder warrants.

Red Rock Chairman Andrew Bell comments: *"We are pleased by the support offered by investors and shareholders for this novel instrument. With the expectation of near term positive developments including an IPO for an investment, production, and a compensation award, we did not want to dilute supportive shareholders by issuing a discounted equity or debt instrument that might be traded out into the market, and this instrument in our judgment fairly balances the competing interests, and of course incentivises us to develop positive news for the Company."*

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Broking

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NOMAD Beaumont Cornish Limited
Broker First Equity Limited
Joint Broker Clear Capital Corporate

This announcement contains inside information for the purposes of Article 7 of Regulation 2014/596/EU, which is part of domestic UK law pursuant to the Market Abuse (Amendment) (EU Exit) regulations (SI 2019/310) and is disclosed in accordance with the Company's obligations under Article 17.

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