



Katoro Gold plc (Incorporated in England and Wales)
(Registration Number: 9306219)
Share code on AIM: KAT
ISIN: GB00BSNBL022
(‘Katoro’ or ‘the Company’)

Dated: 19 March 2024

Katoro Gold PLC ('Katoro' or the 'Company')

Business Update

Katoro Gold PLC (AIM:KAT), the strategic and precious minerals exploration and development company, announces a business update for shareholders following the Financing, Business Development and Director Changes announcement of 12 February 2024, which may be viewed in the link below:

https://polaris.brighterir.com/public/katoro_gold/news/rns/story/xlig7pr

BOARD AND MANAGEMENT

Since 12 February 2024, the Company has appointed Sean Wade as Non-executive Chairman, and Louis Coetzee has moved from the role of Executive Chairman into the role of Executive Director to continue the management of business operations.

The appointment of a new Chief Executive Officer is expected in the near term and, as notified, on their appointment Mr Coetzee will step down from the Board of the Company into the role of business consultant until 31 July 2024 to again assist with transitional business operations.

TECHNICAL MANAGEMENT AND OPERATIONS

All key team members have been retained and provide a solid technical and administrative support group for the Company.

Within the existing team, and complemented by new management, Katoro has access to key technical personnel, including licensing specialists and geologists, with extensive experience in Africa and notably, Tanzania, Botswana and Namibia.

For North America and Australia, a similar situation persists with the Company now able to call upon technical advisory support in Australia and North America.

REVIEW OF EXISTING INTERESTS

The Company is in the process of reviewing all existing interests.

The emphasis is on pursuing only those interests where the further investment of managerial and technical time, and financial resources, yields a reasonable prospect of a strong commercial outcome.

Any investment in existing interests must be weighed against the value available from potential new opportunities (further outlined below). As a result, and in order to avoid the depletion of working capital on sub-optimal activities, a number of definitive steps have now been taken

ultimate steps have now been taken.

The latest position on each area of the existing business is as follows:

Haneti Project - Tanzania

The Haneti Project ("Haneti") is targeting a large-scale nickel sulphide discovery in Tanzania, on which historical exploration to date has included rotary air blast and diamond drilling. See announcement of 31 May 2022 for results of diamond drilling programme.

Katoro holds a 65% interest in Haneti with joint venture partner Power Metal Resources plc holding 35%.

A Haneti technical committee ("HTC") has been established to undertake a detailed review of the entirety of the historical project exploration data, project geology and to formulate a concise and cost-effective exploration plan to move the project forward.

The HTC includes team members from Katoro and Power Metal, and external specialists with requisite project knowledge.

Further updates are anticipated in respect of Haneti including detailed project exploration plans.

Blyvoor Project - South Africa

Following review of the Blyvoor Project, and given the new direction of Katoro and the need to focus on a clear pathway to high value business activities, the Company has decided to cease any further investment in this project with immediate effect.

There are two principal reasons for this: the difficulty navigating a complex commercial ownership situation with the original project vendors and notable local disturbances in the area of the project which would make pursuance of the project extremely challenging, even if the Company were able to resolve the commercial challenges to secure a project interest.

The Company reserves its rights to pursue recovery of any amounts invested to date from third parties where it is appropriate to do so.

Lake Victoria Gold - Imweru Project

Under contract, the Company is due €792,000 from Australian private company Lake Victoria Gold ("LVG") following the transaction involving a joint venture agreement covering the Company's Lake Victoria gold interests to LVG in March 2022. This liability was due to be settled by 31 December 2023 and is disputed by LVG and accordingly the Company is now taking legal advice in respect of this outstanding amount with a view to taking appropriate recovery action for the amount considered due.

Namibian Iron Ore

In September 2022 the Company announced it had entered into a binding conditional agreement to form a 50/50 unincorporated joint venture ('JV') with Trans Namibian Mining and Minerals (Pty) Ltd ("TNMM"). The joint venture sought to continue the development of TNMM's iron ore project and the original announcement may be viewed through the link below:

https://polaris.brighterir.com/public/katoro_gold/news/rns/story/xegeynw

As part of the conditionality attaching to the transaction, the Company sought evidence of ownership title in respect of the project and this evidence has not been forthcoming to the level needed by the Company. Given the new direction of Katoro, the Company has decided to cease any further investment in this project with immediate effect.

The Company reserves its rights to pursue recovery of any amounts invested to date from third parties where it is appropriate to do so, albeit the amounts invested to date are very modest given the limited progress achieved.

All projects above are currently carried at £nil in the Company's last published Balance Sheet.

NEW OPPORTUNITIES

Whilst the Company remains highly engaged with regard to the Haneti Project, as outlined above, the identification of additional, potentially high-value project opportunities is a clear route to further grow the interests of the Company and generate value for shareholders.

The strong African and global technical capabilities accessible by the Company are opening up a wide range of possibilities, to develop existing interests and in the potential acquisition of new opportunities. This includes an ability to stake new ground in strategic locations and, if relevant, to consider acquisitions or earnings on existing project interests.

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The aim of Katoro now is to focus on a limited number of high impact exploration and development projects, rather than a diverse wide-ranging portfolio, enabling the allocation of working capital into a set of focused business interests.

In all cases due regard is given to the managerial and financial resources of the Company to ensure transactions, if and when undertaken, are manageable by the Company.

MARKETING AND COMMUNICATIONS

The Company is currently migrating its information database and communications including email and website out of the Kibo Energy plc group, into an independent server and management arrangement. This process is expected to conclude shortly.

In parallel, the Company is undertaking a full revision of the Company's website and investor marketing materials and further updates will be provided when this has been completed.

This announcement contains inside information as stipulated under the Market Abuse Regulations (EU) no. 596/2014.

****ENDS****

For further information please visit www.katorogold.com or contact:

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