

Armada Capital Plc ('Armada' or 'the Company')

**Proposed Investment,
Subscription to raise £650,000
and
Board Changes**

Armada Capital Plc (TIDM:ACP), an AIM quoted investment company focused on natural resource projects, is pleased to announce:

- it has entered into a binding heads of terms agreement to 'earn-in' over 50% in Africo American Incorporated ("AAI"), a company incorporated under the laws of the State of Idaho, the holding company of the Canyon Silver lead, zinc and silver exploration asset based in Northern Idaho, USA ("Canyon Silver");
- a subscription to raise £650,000; and
- Board changes.

Canyon Silver highlights:

- Acquisition of a majority stake in AAI provides exposure to the silver, lead and zinc, commodities markets where demand is increasing for these metals due to their wide range of application and limited supply.
- The directors believe that there is an opportunity for growth, fueled by developments in the energy capture, storage and transmission sectors which could drive the demand for silver, lead and zinc, as these essential metals remain vital components in all forms of energy use.
- The Canyon Silver operations are in close proximity to dozens of +100-year-old mine and ore deposits that began their productive life shortly after silver was first discovered in the late 19th century in Burke Canyon, a neighboring deposit to the Canyon Silver project.

Armada has an initial option to acquire an initial 25% interest in AAI through the purchase of new shares for \$US500,000 in cash before 31 December 2024. If this initial option is exercised (which is at the entire discretion of Armada), Armada has a further option to increase its interest to 43.8% in AAI, through the purchase of new shares for \$US1.0m in cash. Once this second option is exercised, Armada has a further, final option to acquire an additional 7% interest in AAI (taking its total holding to 50.8%) for \$US280,000. If Armada exercises the final option to gain greater than 50% of the Project the Vendor has the right to sell the remaining stake to Armada for approximately \$US1.0m giving Armada 100% ownership of the project. As at 31 December 2023 AAI made a net loss of approximately \$US 105k and had net total assets of \$US1.06m.

The directors of Armada believe that silver is a highly strategic resource with a wide range of, medical, electronic and industrial applications. It is in line with Armada's strategy to build a portfolio of high-growth, low cost, near term resource projects. The opportunity to invest in a controlling stake of a precious metal project in one of the richest and well known silver regions in North America, is a significant step for Armada. Furthermore, Idaho has a mining friendly economy with a well-established, secure mining code. Not only are there significant historical records in the Canyon Silver project, but it lies within very close proximity to a number of North America's large silver deposits and producers, which have been proven to be profitable.

Armada will be focused on ensuring the investment advances work toward identifying known resources, realising near term production and improving the understanding of the ore body. The operation has several adits on a large mountain, a previously mined underground vertical shaft and six levels that are accessible at little cost.

Only seasonal (April- October) surface-infrastructure civils has been occurring since April 2021 when the current owners, Africo American Inc fully acquired all the Canyon Silver Mine claims, licenses and information on the deposit. Work done between 2017-2019 was mainly geologic, opening most of the original development and explorations tunnels, modelling, mapping and data collection.

The main Portal (No 3) where all production has come from since 1927 has been excavated and supported 90ft into the 300ft thick talus mountain side and should be fully open by August 2024. The No 2 Portal, 100ft vertically above No 3, has been opened, supported, modeled and sampled but needs cleaning out and support around the winze that ties into No 3 level below.

No 2 level mined the original Formosa vein orebody of CSM and approximately 1,000 tons of lateral development

ore and waste was removed and milled from 1890-1906 in a rudimentary gravity concentrator. Some of the new funding is earmarked for planned geophysics with drone based instruments, followed up by 'on-ground' geophysics that will trace the outcrop from near the top of the mountain and its original discovery tunnels, all the way down to No 3 tunnel, 800 vertical feet below. Surface geophysics will be followed up by 'in-mine' geophysical investigations once the No 2 and 3 tunnels are fully open, connected, made safe, mapped, sampled, measured and modeled.

Subscription to raise £650,000

The initial option to acquire an initial 25% interest in AAI is to be part financed through the issue of 91,428,562 new ordinary shares of 0.1 pence each in the Company (the "Subscription Shares") to new and existing investors in the UK and Australia, at a price of 0.7 pence per Subscription Share, raising a total of £650,000. The funds raised will be used to commence work on the Canyon Silver Project as well as continue to advance the Mahenge Graphite Project together with funding ongoing working capital requirements.

Application will be made for the 91,428,562 Subscription Shares to be admitted to trading on AIM ("Admission") and it is expected that Admission will occur on or around 15 May 2024.

Following Admission, the Company's issued share capital will consist of 678,958,457 ordinary shares with one voting right each ("Ordinary Shares"). The Company does not hold any Ordinary Shares in treasury. Therefore, the total number of Ordinary Shares and voting rights in the Company will be 678,958,457. With effect from Admission, this figure may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the FCA's Disclosure Guidance and Transparency Rules.

In addition, attached to each Subscription Share is a warrant, exercisable within 36 months at a price of 1.2p (the "Warrants") with each Warrant entitling each Warrant holder the right to subscribe for a further Ordinary Share in Armadale. Following the issue of the Warrants pursuant to the Subscription the Company will have warrants outstanding over 110,317,451 Ordinary Shares.

Director participation in the Subscription

Matt Bull, Executive Director of the Company is participating in the Subscription as follows:

<i>Name</i>	<i>Current number of Ordinary Shares held</i>	<i>% of existing number of Ordinary Shares</i>	<i>Number of Placing Shares subscribed for</i>	<i>Number of Ordinary Shares held post-Admission</i>	<i>% of issued share capital as enlarged by the Placing</i>
Matt Bull	47,783,284	8.1%	14,285,714	62,068,998	9.1%

Following the transaction Matt Bull will also hold warrants over 14,285,714 Ordinary Shares.

The issue of Subscription Shares and Warrants to Matt Bull constitutes a related party transaction pursuant to Rule 13 of the AIM Rules by virtue of his status as a Director of the Company.

The Independent Director, being Greg Entwistle, considers, having consulted with the Company's nominated adviser, Cavendish Capital Markets Limited, that the terms of Matt Bull's participation in the Subscription is fair and reasonable insofar as the Company's shareholders are concerned.

Board Changes

Armadale Capital also announces that it has appointed Greg Entwistle as Non-Executive director of the Company with immediate effect. Greg is an experienced mining executive who has functioned in multiple countries worldwide. He has played a key role in the development of mines across many commodities. Greg has over 40 years' experience in design, development and operations in various roles including as a project director, mine manager and Chief Operations Officer.

Further information pursuant to Schedule 2 paragraph (g) of the AIM Rules is included below.

Nick Johansen has tendered his resignation as Chairman of Armadale in order to focus on other opportunities. The Company thanks Mr Johansen for his contribution and service to the Company and wishes him well in his future endeavours.

Matt Bull, CEO of Armadale said:

"The board believes that the Canyon Silver transaction creates a significant opportunity for Armadale in a safe and proven geographic, legislative and perhaps most of all a rich and proven geologic area of North America. Industries using silver, lead and zinc are well known and continuing to grow with exciting demand fundamentals. Concurrently, the silver, lead and zinc producing areas of North America have been in hibernation or shrinking since the early 1980's until now. Today they are turning to growth, with America's focus on local production and refining of these core strategic metals for energy and related technology. In addition silver is invaluable in solar panels, certain batteries and electronic components and always as an

addition, silver is invaluable in solar panels, certain batteries and electronic components and always as an alternative and complimentary money and store of value alongside gold."

Competent Person statement

The information in this announcement that relates to exploration results is based on information compiled by Mr Matt Bull, a competent person, who is a Member of the Australian Institute of Geoscientists. Mr Bull has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a competent person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Bull consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Enquiries:

Armada Capital Plc

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Greg Entwistle, Non-Executive Director
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INFORMATION REQUIRED UNDER RULE 17 AND SCHEDULE 2, PARAGRAPH (G) OF THE AIM RULES FOR COMPANIES ("AIM RULES")

Full name: Gregory John Entwistle

Age: 69

Shares held in the Company: Nil

<i>Current directorships and/or partnerships:</i>	<i>Historic directorships and/or partnerships (within the last five years):</i>
Armada Capital plc BGE Pty Ltd Paterson Resources Limited	None

There is no further information to be disclosed in relation to the appointment pursuant to Rule 17 and Schedule 2, paragraph (g) of the AIM Rules.

The information contained within this announcement is deemed to constitute inside information as stipulated under the retained EU law version of the Market Abuse Regulation (EU) No. 596/2014 (the "UK MAR") which is part of UK law by virtue of the European Union (Withdrawal) Act 2018. The information is disclosed in accordance with the Company's obligations under Article 17 of the UK MAR. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

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