

This announcement contains inside information for the purposes of Regulation 11 of the Market Abuse (Amendment) (EU Exit) Regulations 2019/310. With the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

9 August 2024

Kazera Global plc
("Kazera" or "the Company")

Loan Facility to fund Tectonic deal and bridge to cash flows from HMS operations

Kazera Global plc (AIM: KZG), the AIM-quoted investment company, is pleased to announce that it has entered into a debt facility agreement (the "Facility Agreement") with each of its two largest shareholders, Richard Jennings and Tracarta Limited, pursuant to which they have agreed to provide the Company with unsecured term loan facilities of £150,000 and £350,000 respectively (the "Facilities"). The proceeds will be used to fund the cash element of the consideration payable to Tectonic Gold PLC under the terms of the agreement announced on 7 August 2024 and to provide additional working capital whilst the Company works to bring Deep Blue Minerals (Pty) Ltd ("DBM") and Whale Head Minerals (Pty) Ltd ("WHM") into production and cash generation.

Dennis Edmonds, Chief Executive Officer of Kazera Global plc commented: *"I am grateful to both Richard Jennings and Tracarta Limited for making these funds available to Kazera in order to make it possible to complete the WHM & DBM deals and give us what we anticipate being sufficient cash cover to take the Company into being cash generative. The Board feel very strongly that raising equity at anywhere near the current levels in the present market would not be in the interest of shareholders as it does not remotely reflect the expected immediate opportunity from our South African operations."*

DETAILS

The principal terms of the Facility Agreements are as follows:

- **Interest** - Interest will accrue on the Facilities at a fixed rate of 12%, irrespective of early repayment on the Commitment Amount. The lenders may, at their sole discretion, elect to receive interest due in shares of the Company at a price of 1 "one" pence per share.
- **Term** - The Facilities are repayable, together with all interest and fees that have accrued, on or before 30 October 2025.
- **Availability** - The Facilities are available to be drawn in four tranches commencing on 11 August and then on 25 August 2024, 25 September 2024 and 25 October 2024.
- **Warrants** - The lenders will also receive warrants to subscribe for new Ordinary Shares in the Company at an exercise price of 1p. In the event that, within two years of the date of their issue, the Company issues equity at less than 1p (raising not less than £50,000), the exercise price shall be reduced to that lower price.
- The number of warrants to be issued to each lender is 150% of the loan amount (including interest).

Related Party Transaction

Kazera is entering into the Facility Agreement with Richard Jennings, a beneficiary of Catalyse Capital Ltd & Related Parties RS & CA Jennings, which is a significant shareholder in the Company as such term is defined in the AIM Rules for Companies. Accordingly, entering into the Facility Agreement with Richard Jennings constitutes a related party transaction under Rule 13 of the AIM Rules for Companies.

As such, the Directors of the Company consider, having consulted with Cavendish Capital Markets Limited, the Company's Nominated Adviser, that the terms of the Facility Agreement with Richard Jennings are fair and reasonable insofar as the Company's shareholders are concerned.

****ENDS****

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About Kazera Global plc

Kazera is a global investment company focused on leveraging the skills and expertise of its Board of Directors to develop early-stage mineral exploration and development assets towards meaningful cashflow and production. Its three principal investments, *prior to completion of the acquisition of shares from Tectonic Gold Plc as announced on 7 August 2024*, are as follows:

Alluvial diamond mining through Deep Blue Minerals (Pty) Ltd, Alexander Bay, South Africa

Kazera currently has a 100% direct interest in Deep Blue Minerals, of which 64% is held beneficially by Kazera and 26% is held on behalf of Black Economic Empowerment partners.

Heavy Mineral Sands mining (including ilmenite, monazite, rutile, and zircon) through Whale Head Minerals (Pty) Ltd, Alexander Bay, South Africa.

Kazera currently has a 60% direct beneficial interest in Whale Head Minerals together with the benefit of a loan facility entitling it to receive approximately £38m out of dividends from the other shareholders.

Tantalite mining in South-East Namibia (divestment in progress)

As announced on 20 December 2022, Kazera has agreed to dispose of African Tantalum (Pty) Ltd ("Aftan") for a cash consideration of US\$13 million plus a debenture payment of 2.5% of the gross sales of produced lithium and tantalum for life-of-mine. Completion of the sale is subject to receipt of full consideration proceeds. Aftan has been deconsolidated from the Company's financial statements with effect from 4 January 2023 because in accordance with the terms of the sale agreement, it has relinquished control of the Aftan in favour of the purchaser, Hebei Xinjian Construction Close Corp ("Hebei Xinjian") with effect from that date. Kazera retains the right to cancel the transaction and retain all amounts paid to date in the event of default by Hebei Xinjian.

The Company will consider additional investment opportunities as appropriate, having regard to the Group's future cash flow requirements.

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