

Jangada Mines plc / EPIC: JAN.L / Market: AIM / Sector: Mining

6 November 2024

Jangada Mines plc ('Jangada')

Investee Company Update: Blencowe Resources PLC

Jangada Mines plc, a natural resources development company with interests in Brazil and elsewhere, is pleased to note the announcement released by Blencowe Resources PLC (LON:BRES) in which it holds a c. 10% interest.

Jangada Executive Chairman, Brian McMaster, said: *"Blencowe's latest fundraising, alongside other targeted financing strategies to advance the DFS at its world-class graphite asset in Uganda, is a highly positive step forward. This strong financial foundation will position it to meet the growing demand for graphite amid the global energy transition, creating substantial, long-term value for shareholders."*

Start of Blencowe Resources PLC announcement

6 November 2024

Blencowe Resources Plc

("Blencowe" or the "Company")

£1.5 Million Fundraise to Drive DFS Completion

Blencowe Resources Plc (LSE: BRES), is pleased to announce that it has successfully raised a total of £1,500,000 through the issue of 37,500,000 new ordinary shares at 4 pence per share ("Fundraise"). These funds will be directed primarily towards completing the Definitive Feasibility Study ("DFS") to completion, including a 6,000m drilling programme to enhance the existing JORC Resource of 24.5Mt @ 6.0% for the Orom-Cross Graphite Project in Uganda.

Fundraise Overview

The Fundraise comprises a £1 million placing of 25,000,000 new ordinary shares ("Firm Placing") arranged through its broker Tavira Financial ("Tavira") and a conditional £500,000 subscription for 12,500,000 new ordinary shares from senior management ("Conditional Subscription"). The Conditional Subscription is subject to FCA approval of a Prospectus by the Company.

Investor Warrants

Investors in the Fundraise will be issued 1 warrant per 1 Placing Share ("Investor Warrants"), exercisable at 6p for a 3-year period from Admission. Therefore, the Company will issue an aggregate of 37,500,000 warrants, which if fully exercised, would result in gross proceeds of £2.25 million in additional funding.

Use of Funds

The net proceeds of the Fundraise will primarily fund a 6,000m drill programme designed to significantly increase the existing 24.5Mt @ 6.0% JORC Resource, one of the final major workstreams under the DFS, as well as general working capital.

Related Party Participation

Major shareholder RAB Capital participated in the Firm Placing. As their current shareholding is more than 5%, RAB Capital's participation in the Firm Placing is deemed a related party transaction as defined under DTR 7.3. Following advice from its financial adviser Tavira (given the Board does not have an independent director) the Board considers RAB Capital's participation in the Placing fair and reasonable for shareholders.

Senior Management and Consultant Participation

The Company's Chief Operating Officer, Iain Wearing, and its external Sales and Marketing Advisor, Joel Chong, have each subscribed in the Conditional Subscription for £250,000 each.

	Current Holding	Conditional Placing Shares	Holding following the issue of the Prospectus	% Holding following the issue of the Prospectus *
Iain Wearing	408,333	6,250,000	6,658,333	2.3
Joel Chong	Nil	6,250,000	6,250,000	2.1

*The enlarged share capital following the issue of the Prospectus will be 292,820,980 (including the enlarged share capital on Admission, the July 2024 Subscription and the Fee Shares as noted below).

DFC Grant Funding

A further US 500,000 is expected shortly from the Development Finance Corporation ("DFC") as part of its ongoing phased 5 million grant funding. This will bring total receipts received under the DFC grant to US 4,000,000, with the final US 1,000,000 scheduled to be received in 2025.

Admission of Firm Placing Shares

An application has been made for 25,000,000 new ordinary shares relating to the Firm Placing to be admitted to trading on the official list of the London Stock Exchange from 8.00 a.m. on 12 November 2024 ("Admission").

Prospectus

As previously announced, the Company is in an advanced stage of seeking FCA approval to publish a Prospectus for issuance of 12,500,000 new ordinary shares for the Conditional Subscription, 3,181,260 new ordinary shares in relation to the July 2024 Subscription to raise gross proceeds of £159,063 and 25,721,250 Fee Shares in relation to services provided by key DFS contractors and other service providers to the value of £1,286,062.

The issue of the Fee Shares has materially reduced the capital required to complete the DFS, and most particularly for drilling. The Company will be seeking to publish the Prospectus imminently and will advise on the publication date in due course.

Total Funding

With the Fundraise, Fee Shares, July Subscription, and DFC Grant, Blencowe has access to approximately £4 million and is well-capitalised to target DFS completion in H1 2025.

Cameron Pearce, Executive Chairman commented: *"Blencowe is pleased to announce this Fundraise alongside other funding initiatives to progress the DFS to completion. This combined support from shareholders, strategic service providers, and senior management enables a key inflection point in the Company's history - completing the DFS and subsequent project financing - which will position Orom-Cross for substantial de-risking and value creation."*

"The phased DFC grant further reinforces our working capital position to finalise the DFS. Orom-Cross's exceptional low-cost, high-quality characteristics combined with the key relationships we have formed, including both DFC and the recent Minerals Security Partnership accreditation, plus our in-country downstream processing strategy, continue to uniquely position Blencowe within the graphite sector. As the global energy transition accelerates, Orom-Cross is set to play role in supplying essential materials for the green economy."

Total Voting Rights

In accordance with the FCA's Disclosure Guidance and Transparency Rules, the Company confirms that following Admission, the Company's enlarged issued ordinary share capital will comprise 251,418,470 Ordinary Shares. The Company does not hold any Ordinary Shares in Treasury. Therefore, following Admission, the above figure may be used by shareholders in the Company as the denominator for the calculations to determine if they are required to notify their interest in, or a change to their interest in the Company, under the FCA's Disclosure Guidance and Transparency Rules.

End of Blencowe Resources PLC announcement

****ENDS****

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

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