

10 February 2025

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

Conditional Equity Financing and Strategic Expansion

Conditional equity financing of £317,500 and premium priced warrant-only acquisition of critical minerals exploration portfolio in Ontario, Canada

Katoro Gold PLC (AIM: KAT), the strategic energy and precious minerals exploration and development company, announces conditional equity financing of £317,500 via the issue of 635,000,000 new ordinary shares (the "Placing Shares"), at a placing price of 0.05p per Placing Share (the "Placing Price") (the "Placing"). The Placing Price represents the closing mid-market price on the Friday, 7 February 2025. The Placing is conditional on approval from Katoro Shareholders on various resolutions including on a change in the par value of the Company's ordinary shares thereby allowing the issue of the Placing Shares; such resolutions will be put to Shareholders at a Katoro General Meeting to be held shortly. A further announcement will be made once the details are finalised.

Katoro is also pleased to announce a heads of terms agreement (subject to the completion of the Placing above) to acquire 100% of 31 Explore Ltd which controls an extensive portfolio of mining claims in Ontario, Canada. Katoro will acquire 31 Explore Ltd in exchange for warrants over ordinary shares (the "Acquisition Warrants"): 375,000,000 priced at 0.10p (100% higher than the Placing Price) and 375,000,000 priced at 0.15p (200% higher than the Placing Price). The vendors have agreed to a lock in respect of the Acquisition Warrants for the first 12 months from issue.

HIGHLIGHTS

- Conditional equity financing of £317,500 via the issue of 635,000,000 Placing Shares;
- Warrant-only acquisition of 31 Explore Ltd expands Katoro's critical minerals portfolio in Ontario, a top-tier mining jurisdiction;
- Portfolio includes claims prospective for lithium-bearing pegmatites, as well as rare-earth elements (REE);
- The fundraising will be applied across the newly acquired claims and to accelerate exploration at the Company's existing White Pine Uranium Project in Northwest Ontario as well as for general working capital;
- 31 Explore Ltd vendors will provide ongoing technical and operational support on the newly acquired portfolio following the acquisition;
- Appointment of Patrick Cullen as full time Chief Executive Officer and proposed appointment of James Tosh (of 31 Explore Ltd) to Board of Directors as a Non-Executive Director; and
- The issue of a further 38,000,000 ordinary shares on the same terms of the Placing to settle future fees of £19,000 (the "Fee Shares").

Patrick Cullen, Chief Executive Officer of Katoro, commented:

"This expansion of Katoro's critical minerals exploration portfolio is a significant step forward on an exciting pathway. Ontario is a world-class mining jurisdiction, among the top 10 jurisdictions in the world for mineral exploration spending and well-positioned to be a global supplier of critical minerals. Katoro has prioritised six project areas prospective for lithium and one project area prospective for rare earth elements (REE) and niobium and the location of these projects provides excellent synergy with our 100%-owned White Pine Uranium Project.

The acquisition in exchange solely for premium priced warrants is a very positive outcome and eliminates the immediate cash outlay or immediate share dilution typical of such transactions and enables a greater allocation of cash towards advancing the Company's exploration goals.

The selection of these properties is the result of focused research by 31 Explore Ltd, and the prospectivity is underpinned by the systematic evaluation of an extensive range of Ontario Geological Survey data and mapping and other sources. Historic exploration activity provides other encouraging information, however, it is important to note that these areas are historically underexplored for the critical mineral deposits we are searching for. Looking to the future, the Company is also in discussions with Planetary AI Limited, a company that specialises in the application of the artificial intelligence-driven Xplore system, to identify and rank exploration targets.

What has clearly emerged in the time leading to this deal is the strategic alignment between Katoro and 31 Explore Ltd as demonstrated by the deal terms and excellent working relationship with Mr Tosh and Mr Dann, the co-founding Directors of 31 Explore Ltd. I have spent significant time working through the various data and I am pleased to retain Jack Dann's part-time services as a geological and exploration consultant providing technical support on the new claims. James Tosh is proposed to join the Board as Non-executive Director and his wealth of operations and back-office experience will be welcomed.

The Board acknowledges the continued support of shareholders, we look forward to reigniting Katoro's exploration activities, delivering exploration success and shareholder value."

CONDITIONAL FINANCING DETAILS

As the Placing Price is lower than the current nominal value of the Company's existing ordinary shares ("Existing Ordinary

Shares"), being 0.1p each, the Company will shortly be convening a General Meeting to be held on 28 February 2025, at which it will be proposed that each of the Existing Ordinary Shares be sub-divided into one New Ordinary Share with a nominal value of 0.01p and one Deferred Share with a nominal value of 0.09p (the "Share Capital Reorganisation").

The Deferred Shares will have no value or voting rights and they will not be admitted to trading on AIM. Following the Share Capital Reorganisation, there will be the same number of New Ordinary Shares in issue as there are Existing Ordinary Shares.

Each Placing Share will have one warrant attached with the right to subscribe for one New Ordinary Share at an exercise price of 0.07p (the "Placing Warrants") per New Ordinary Share for a period of three years.

An announcement providing details of the General Meeting and containing further information regarding the Share Capital Reorganisation will be made shortly.

ACQUISITION DETAILS

31 Explore Ltd is a UK-based mineral exploration project generator which controls a portfolio of mining claims in Ontario, Canada. The Directors of 31 Explore Ltd are Mr James Tosh and Mr Jack Dann. The portfolio has a total area of 12,792 hectares (127.92km²). Of the 612 operational cell claims in the portfolio, Katoro has assigned priority to a subset of the total claims package (381 in total). The priority project areas comprise six lithium projects and one REE project, with a combined total area of 8,161 hectares of across 11 properties made up of contiguous claims.

Katoro will acquire 100% of 31 Explore Ltd and its wholly owned subsidiaries in exchange for a total of 750,000,000 Acquisition Warrants to be distributed to the shareholders of 31 Explore Ltd. The Acquisition Warrants comprise 375,000,000 warrants with an exercise price of 0.1p and 375,000,000 warrants with an exercise price of 0.15p, which become exercisable 12 months from date of issue and are valid for a period of four years.

No trailing royalties or similar encumbrances are included in the deal. Existing Explore 31 Ltd directors' loans of £20,500 are to be settled in cash by Katoro within 12 months. In the financial year up to 7 February 2025, 31 Explore Ltd had no income and incurred costs of £1,578.32.

RELATED PARTY TRANSACTION

Mr Sean Wade, the Company's Non-Executive Chairman, is a 14.29% beneficial owner of 31 Explore Ltd and, as such, the acquisition is considered to be a Related Party Transaction. Accordingly, he will have an interest in the Acquisition Warrants issued to 31 Explore Ltd over Ordinary Shares on the basis set out above on completion of the Acquisition. The independent directors of the Company, having consulted with Beaumont Cornish Limited the Company's nominated adviser, consider that the terms of Mr Wade's participation in the proposed Acquisition are fair and reasonable insofar as the Company's shareholders are concerned.

BOARD APPOINTMENTS

Interim Chief Executive Officer Patrick Cullen is appointed Chief Executive Officer with immediate effect.

Mr James Tosh, co-founding director of 31 Explore Ltd, is proposed to be appointed Non-Executive Director of the Company following the General Meeting and conditional on a satisfactory completion of the stock market (including Nominated Adviser) due diligence which is a standard procedure prior to the appointment of directors onto the board of an AIM company.

Mr Tosh is a Senior Project Manager and Operations Executive with 20 years of experience in senior leadership roles. He currently serves as Chief Operating Officer of AIM-listed Power Metal Resources PLC.

DIRECTOR'S HOLDINGS

Mr Patrick Cullen, Chief Executive Officer of the Company, has subscribed £10,040 for 20,000,000 Placing Shares as part of the conditional placing. Mr Cullen's subscription constitutes a related party transaction in accordance with AIM Rule 13. The independent directors of the Company, having consulted with Beaumont Cornish Limited the Company's nominated adviser, consider that the terms of Mr Cullen's participation in the conditional Placing are fair and reasonable insofar as the Company's shareholders are concerned.

Following the issue of the Placing Shares, Mr Cullen will be beneficially interested in 20,080,000 New Ordinary Shares, representing approximately 0.88% of the Company's enlarged issued share capital.

ADMISSION AND TOTAL VOTING RIGHTS

An application will be made for the admission of the Placing Shares and Fee Shares to trading on AIM ("Admission"). Assuming the resolutions are passed at the General Meeting, Admission is expected to occur on or around 6 March 2025.

Following Admission, there will be a total of 2,269,420,573 ordinary shares in issue with each ordinary share carrying the right to one vote. This figure may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or change to their interest in, the Company under the FCA's Disclosure and Transparency Rules.

APPOINTMENT OF JOINT BROKER

Katoro has appointed First Equity Limited as joint corporate broker alongside its existing corporate broker, SI Capital Ltd.

USE OF FUNDS

Proceeds from the Placing will provide working capital and fund exploration programmes across the newly acquired portfolio and at the Company's White Pine Uranium Project in Ontario, Canada.

The newly acquired claims carry no minimum spend requirement but expenditure is required to maintain their operational status. This can be extended for subsequent years by spending a minimum of CAD 400 (approx. £224, CAD 1 = £0.56) per annum per claim on specified expenditures (e.g. consultant and contractor costs, laboratory assays, transport, trenching, drilling and associated operating expenses). Expenditure may be distributed across contiguous groups of claims. The 381 prioritised claims can be extended by spending a minimum of CAD 152,400 (approx. £85,344). This value may change as Katoro chooses to extend, reduce or stake new claims.

PROJECT LOCATIONS



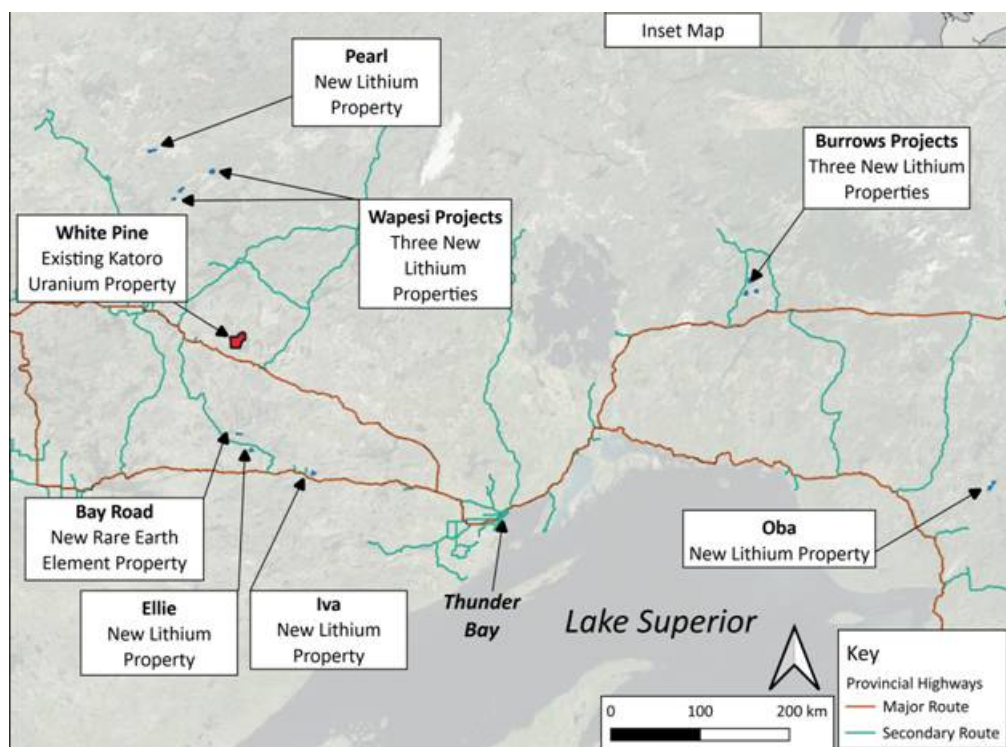


Figure 1. Ontario Project Locations

Katoro has assigned priority to seven project areas which comprise six lithium projects and one REE project (with a combined total area of 8,161 hectares) located in Ontario as shown in Figure 1 above. The Company's White Pine Uranium Project is indicated for reference.

ACQUISITION PROJECTS SUMMARY

The projects have been selected based on two key criteria: firstly, on technical merits that underlies their critical minerals potential; and secondly, taking into account local infrastructure and accessibility that supports cost-effective exploration activities.

The geology of the acquired projects includes mapped, but previously untested or unassayed geological features, including pegmatites in close proximity to intrusions that are known to have generated known lithium-caesium-tantalum (LCT) mineralisation, and proximity to their contact with prospective metasedimentary lithologies.

Historical exploration reports and government data have been used to target and assess the prospectivity of these projects. In particular, extensive work by the Ontario Geological Survey as part of Operation Treasure Hunt-a multidisciplinary study investigating Ontario's mineral potential using geochemical, geophysical, and geological methods-has provided valuable insights, with all projects having either anomalous or highly anomalous lake sediment results for elements associated with LCT pegmatites¹, such as lithium, caesium, niobium and rare earth elements. The projects are under-explored for critical minerals or lithium-focused exploration.

Highlights of this data include multiple mapped, but untested pegmatites on Pearl², an intrusive feature at Bay Road³ which is located adjacent to highly anomalous rare earth elements in lake sediments⁴, and a 5-metre thick pegmatite (drilled⁵ in 1965 but not assayed for lithium) lying within the area of the Burrows Projects.

Further details on the projects, their geology and plans for forthcoming exploration will be released in due course. A presentation providing further information is also available on the Company's website.

REFERENCES

- 1: Bradley, D.C., McCauley, A.D., Stillings L.M., 2017, Mineral-Deposit Model for Lithium-Cesium-Tantalum Pegmatites, USGS.
- 2: Fenwick, K.G., 1967, Whitemud Lake area (Fredart-Whitemud lakes area), District of Kenora (Patricia Portion), Ontario Geological Survey, P0412.
- 3: Santaguida, F., 2001, Ontario Geological Survey,. Precambrian Geology Compilation Series - Quetico Sheet, 2000 Series Map (M2663).
- 4: Dyer, R.D., 1999, Lake Sediment and Water Geochemistry Data from the Atikokan-Lumby Lake Area, Northwestern Ontario, MRD043
- 5: Moly-Ore Mines Ltd, 1965, Report on Diamond Drilling Program on Moly Ore Mines Limited, Burrows Lake Property, Area of

QUALIFIED PERSON STATEMENT

The technical information contained in this disclosure has been reviewed and approved by Mr Nick O'Reilly (MSc, DIC, MIMMM QMR, MAusIMM, FGS), who is a qualified geologist and acts as the Qualified Person under the AIM Rules - Note for Mining and Oil & Gas Companies. Mr O'Reilly is a principal consultant working for Mining Analyst Consulting Ltd which is providing independent technical review to Katoro Gold PLC.

GLOSSARY

Rare-earth elements (REE) - a group of 17 elements, including the 15 elements of the lanthanide series on the periodic table of elements together with the transition metals scandium and yttrium. REEs are key components in many electronic devices that we use in our daily lives, as well as in a variety of industrial applications.

Niobium - the chemical element; it has the symbol Nb and atomic number 41 and is an element commonly found alongside Rare Earth Elements. It used in a range of specialist alloys and in some highly temperature-stable superalloys used for engine parts in the aerospace industry.

Lithium-caesium-tantalum (LCT) pegmatites are a principal source of lithium and comprise a compositionally defined subset of granitic pegmatites. The principal lithium ore minerals are spodumene, petalite, and lepidolite; caesium mostly comes from pollucite; and tantalum mostly comes from columbite-tantalite. Tin ore as cassiterite and beryllium ore as beryl also occur in LCT pegmatites.

Intrusion - a body of igneous rock that has crystallized from magma emplaced into pre-existing rock formations at various crustal depths. Intrusions can vary in size and composition, ranging from small dykes and sills to large batholiths, and may be associated with mineralisation processes that concentrate economically significant elements.

Metasedimentary - a type of metamorphic rock that originates from the alteration of sedimentary rocks due to the effects of heat, pressure, and chemically active fluids.

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

****ENDS****

Enquiries:

Patrick Cullen	info@katorogold.com	Katoro Gold PLC	Chief Executive Officer
James Biddle Roland Cornish	+44 (0) 207 628 3396	Beaumont Cornish Limited	Nominated Adviser
Nick Emerson Sam Lomanto	+44 (0) 1483 413 500	SI Capital Ltd	Corporate Broker
Jason Robertson	+44 (0) 207 374 2212	First Equity Limited	Joint Corporate Broker

Beaumont Cornish Limited ("Beaumont Cornish") is the Company's Nominated Adviser and is authorised and regulated by the FCA. Beaumont Cornish's responsibilities as the Company's Nominated Adviser, including a responsibility to advise and guide the Company on its responsibilities under the AIM Rules for Companies and AIM Rules for Nominated Advisers, are owed solely to the London Stock Exchange. Beaumont Cornish is not acting for and will not be responsible to any other persons for providing protections afforded to customers of Beaumont Cornish nor for advising them in relation to the proposed arrangements described in this announcement or any matter referred to in it.

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact ms@seg.com or visit www.ms.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

MSCQBLBFELLXBBX