

Papillon Holdings plc / Index: LSE / Epic: PPHP / Sector: Investment

23 February 2021

**Papillon Holdings Plc ('Papillon' or the 'Company')
Acquisition of the Kilimapesa Gold Mine - Transaction Update**

Papillon Holdings plc, the London listed investment company, is pleased to provide an update relating to the Company's agreement with Mayflower Capital Investments Pty Limited ('Mayflower') on the purchase of the Kilimapesa Gold Mine in Kenya ('Kilimapesa' or the 'Mine') (the 'Transaction'). The completion of the Transaction is a key component of the Company's planned re-admission to the Official List by way of a Reverse Take Over and to trading on the Standard Segment of the Main Market of the London Stock Exchange and contemporaneous dual listing on the Frankfurt Stock Exchange.

Further to the announcement of 18 February 2021, the Company is pleased to report that formal legal documentation relating to the acquisition of the total issued share capital of Kilimapesa Gold (Pty) by Mayflower has been signed by all parties. The formal documentation includes a Share Purchase Agreement ('SPA') entered into by Mayflower Gold Investments Limited ('Mayflower Gold' a wholly owned subsidiary of Mayflower), Mayflower, and Gold Mineral Resources Limited (a wholly owned subsidiary of AIM-listed Goldplat plc). The SPA sets out the terms of the Transaction under which Mayflower Gold will acquire 100% of the entire issued share capital of Kilimapesa which holds the licences and assets that form the producing Kilimapesa Gold Mine and Processing Operations located in Narok County, Kenya.

A deed of novation and royalty agreement has also been entered into by Mayflower Gold and Gold Mineral Resources Limited. Completion of the Transaction remains subject to a number of conditions being satisfied including, amongst other things, receipt of various regulatory approvals in Kenya and the completion by Mayflower Gold of the Reverse Take Over of Papillon Holdings plc.

The signing of these agreements between Mayflower and Goldplat plc's subsidiary, Gold Mineral Resources Limited is satisfaction of a key condition for Mayflower to acquire Kilimapesa and key conditions to the Company's agreement with Mayflower.

Papillon's executive director Charles Tatnall comments: *"Activities in Kenya, London and Europe are now accelerating ahead of the anticipated debut on the London Stock Exchange and Frankfurt Stock Exchange and in conjunction with our acquisition of Kilimapesa, a producing gold mine in Kenya. This will represent the first phase our strategy to become an established and profitable gold production company with multiple gold mining operations located in East Africa producing in excess of 50,000oz per annum and with JORC Compliant*

reserves and resources of +2Moz. I look forward to reporting further news relating to the Transaction and the progress of our Prospectus, which was submitted to the FCA last week."

Further Information

Kilimapesa Gold Mine

Kilimapesa is an established, permitted and operating gold mine with current gold sales and successive gold pours in 2021. Operations recommenced in 2020 after a period of 18 months on care and maintenance following the remedy of several historic issues and the plant is now operating at record levels of two and a half to three times previous levels. Additionally, underground mine operations have commenced which have resulted in higher grade ore now feeding the plant. Upon completion of the Transaction and the RTO, Caracal Gold plc will hold an 100% interest in the producing Kilimapesa Gold Mine in Kenya which currently has a 671,446oz JORC Compliant resource and a well-defined mining optimisation strategy in process.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Regulation 11 of the Market Abuse (Amendment) (EU Exit) Regulations 2019/310 ("MAR"). With the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

**** ENDS ****

For further information visit www.papillonholdings.com or contact the following:

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