

11 March 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 23 February 2021, the Company has received notification from Mayflower that in accordance with Section 51(6), (7) and (8) of the Mining Act no. 12 of 2016, consent to the proposed acquisition by Mayflower of Kilimapesa has been provided by the Ministry of Petroleum and Mining (the 'Consent').

Mayflower has also notified the Company that the Competition Authority of Kenya has provided confirmation that the proposed acquisition by Mayflower of Kilimapesa has been declared excluded from the provisions of Part IV of the Competition Act No. 12 of 2010 (the 'Exclusion').

Receipt of the Consent and confirmation of the Exclusion are key conditions to the Company's agreement with Mayflower in respect to the Reverse Take Over and represent satisfaction of further key conditions of Mayflower's agreement with Goldplat plc and Gold Mineral Resources Limited to acquire Kilimapesa.

Papillon's executive director Charles Tatnall comments: *"The Transaction continues to progress well with several key components having been achieved in recent weeks; it is very pleasing that consent to the acquisition of Kilimapesa has been received by the Ministry for Petroleum and Mining and this marks a major milestone in our journey to acquiring the Mine and thus securing the potential value upside of an operating gold mine for our shareholders.*

"Receipt of the confirmation from the Competition Authority in Kenya is another positive development and stands us in good stead to push forward with the remaining necessary approvals ahead of finalising the Transaction and completing a Reverse Take Over in due course. I look forward to providing further updates as the Transaction continues to move through the processes required."

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 continues to operate and gold sales are continuing under existing gold refining agreements in Europe. 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 a 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 ****

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