

26 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 ('RTO') 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 11 March 2021, Mayflower and the Company have signed the formal share purchase agreement in respect of Mayflower Gold (the 'Share Purchase Agreement'). This is another key condition to the Company's agreement with Mayflower in respect to the RTO and represent satisfaction of further conditions of Mayflower's agreement with Goldplat plc and Gold Mineral Resources Limited to acquire Kilimapesa. Signing has enabled Papillon to continue moving through the Transaction process towards completion of the RTO.

The Financial Conduct Authority (the 'FCA') is actively engaged in finalising Papillon's Prospectus and the Company is assured that the review is advancing well.

Operations at the Mine are also progressing positively, with underground mining operations and developments ongoing. High grade underground ore has been stockpiled and is being processed through the plant used historically by Goldplat for its gold pours and processing and from which the gold dore is exported to Europe for refining and sales.

Papillon's executive director Charles Tatnall comments: *"The Transaction continues to progress well, with Papillon and Mayflower having signed the Share Purchase Agreement, which paves the way towards the RTO; this is a major milestone in our journey to acquiring Kilimapesa and thus securing the potential value upside of an operating gold mine for our shareholders. To the credit and hard work of the various teams, several other key components have been achieved in recent weeks including consent to the acquisition of Kilimapesa by the Ministry for Petroleum and Mining and receipt of the confirmation from the Competition Authority in Kenya.*

"On the ground in Kenya, operations continue at the Mine and we look forward to providing an update in due course. In the meantime, we are in a strong position to complete the RTO

process in the internal time frame we set ourselves and I look forward to advancing the remaining necessary approvals ahead of finalising the Transaction and completing the RTO."

Further Information

The Kenyan based Kilimapesa Gold Mine 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 an 100% interest in the Mine, 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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