

Caracal Gold plc ('Caracal' or the 'Company')
Strategic Placement to Accelerate Expansion at Kilimapesa

Caracal Gold plc, the gold producer with operations in East Africa, confirms that it has raised aggregate gross proceeds of £2.0 million before expenses via a placing of 177 million new ordinary Company shares (effective price 1.12 pence per new share issued). Shares were acquired by a major shareholder of the Company and strategic clients of Clear Capital Markets, the UK-based stockbroker and wealth manager. The placing was extremely well received. Clear Capital Markets will be appointed as joint broker with immediate effect.

The funds raised will be used to finance Caracal's accelerated development plan at its Kilimapesa Gold Mining and Processing Operations in Kenya ('**Kilimapesa**'). The funds will assist the Company in its ability to increase mine production to 2000oz a month, as set out in the Company's recently announced accelerated development plan for Kilimapesa (refer RNS dated 9th February), which is targeting an increase in its production by 100%.

This will be achieved by a defined strategy of expanding the open pit, underground mining and mining development activities and associated gold processing plant and equipment. This clear and accelerated development plan is entirely focused on meeting stated production forecasts and delivering value back to the shareholders of the Company.

The proceeds, and cashflow from operations, will be used by the Company to embark on the recently outlined Phase 3 Development Plan, starting the process of installing new plant and equipment including: a new gold elution plant; a new crushing and screening plant and upgrades to the thickeners, cyclones and installation of additional CIL tanks; upgrading of the existing tailings retreatment plant; construction of a new heap leach plant operation and expansion of existing infrastructure and engineering services.

Work has already commenced in a number of these areas of the Phase 3 Development Plan and the funds now available will allow some of the orders for the longer-lead time items to be placed.

Chief executive of Caracal Gold Plc, Robbie McCrae, said:

"This raising has attracted major shareholders at a premium, and long-term strategic shareholders to our Company, and is further proof of the allure of Caracal's unique offering as an emerging gold producer in East Africa to the investor community. It is an endorsement of our aggressive growth strategy in East Africa - at our flagship mine in Kenya, but also our strategic expansion into neighbouring Tanzania via our recent gold acquisitions – as we consolidate our position and move to become a significant gold producer in the region.

"The funds will help advance our active growth plans further at Kilimapesa, as we target a 100% gold production uplift to 2,000ozs per month in 2022, and at a highly prospective time for gold producers.

“The appetite for the gold is rising once more, as reflected in the recent resurgence in prices, which rose above US\$1850/oz last week against the backdrop of rising inflation and lowering 10-year US Treasury yields. We look forward to maximising these market conditions as we build our gold production.”

****ENDS****

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

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Notes

Caracal Gold plc is an emerging East African focused gold producer with a clear path to grow production and resources both organically and through strategic acquisitions. Its aim is to rapidly increase production to +50,000ozs p.a. and build a JORC compliant resource base of +3Moz within 12-18 months from its listing in August 2021. To this end, it is progressing a well-defined mine optimisation strategy at its 100% owned Kilimapesa Gold Mine in Kenya, where there is significant mid-term expansion potential and ability to increase gold production to 25,000oz p.a. and the resource to +2Moz (current JORC compliant resources of approx. 671,000oz). Additionally, its experienced team, with proven track record in successfully developing and operating mining projects throughout Africa, is reviewing other complementary and strategically located gold mine and development projects in East Africa.

Caracal is a responsible mining and exploration company and supports the positive social and economic change that it contributes to the communities in the regions that it operates. It is a proudly East African-focused company: it buys locally, employs locally, and protects the environment and its employees and their families' health, safety, and wellbeing. Caracal's shares are quoted on the Main Market of the London Stock Exchange (LON: GCAT) and on the Frankfurt Stock Exchange (FSE: 6IK); a listing on the Nairobi Securities Exchange is underway.