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African Pioneer PLC
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African Pioneer Plc

("African Pioneer" or "the Company")

Namibian Projects increase of interest to 85%

African Pioneer (TIDM: AFP), the copper-gold exploration and development company, is pleased to announce it has entered into an agreement to acquire a further 15% interest in its Ongombo Project and Ongeama Project in Namibia (the "Namibian Projects") increasing its interest in the Namibian Projects to 85%.

The 15% interest in the Namibia Projects is being acquired by the Company through its wholly owned subsidiary Zamcu Exploration Pty Ltd which is acquiring a 15% shareholding in each of Manmar Investments One Hundred and Twenty Nine (Pty) Ltd and Manmar Investments One Three Six (Pty) Ltd for an aggregated cash payments of AUD528,000 (approx. GBP278,495) and the issue of 2,248,295 ordinary shares of no par value each (the "**New Ordinary Shares**") to settle AUD100,000 (approx. GBP52,745). The New Ordinary Shares will be issued to the vendor, Mr Wilhelm Shali who holds the remaining 15% interest in Namibian Projects and who is a member of the Concert Party further details of which are disclosed in the Company's prospectus dated 26 May 2021. The New Ordinary Shares are subject to a 12 month lock up and will increase Mr Shali's shareholding to 7,124,675 shares which will represent 3.71% of the share capital as enlarged by the issue of the New Ordinary Shares. Accordingly, following Admission the aggregated Concert Party interest will be 51.72%. In addition, pursuant to the agreement, the Company will have first right of refusal should Mr Shali want to sell his remaining 15% interest and he is prohibited from any sale which could prejudice the Company's ability to comply with any ownership or licensing requirements under any applicable laws or regulations.

Colin Bird, Executive Chairman of Bezant, commented:

"The prospects of copper are strong now and into the future and our assessment is that the copper industry will return to its structure of the 1990s, where small high-grade mines existed, medium sized open pit and underground mines existed and of course, the large open pits which were the key contributors. With this in mind we have commenced preparations for applying for a mining licence for the Ongombo Project and have accelerated our review of the projects technical information and are pleased to have acquired a further 15% interest in our copper gold Namibian Projects which show good fundamentals."

Application to trading: Applications will be made to the Financial Conduct Authority ("FCA") and the London Stock Exchange for the 2,248,295 New Ordinary Shares, to be admitted to the Official List and to trading on the London Stock Exchange's main market for listed securities (the "Admission"). It is expected that Admission will become effective and that dealings in the New Ordinary Shares will commence at 8.00 a.m. on or around 3 September 2021.

Issued Share Capital: Following the issue of the New Ordinary Shares, the Company's total issued share capital will consist of 191,707,845 Ordinary Shares with voting rights. The Company does not hold any Ordinary Shares in treasury and accordingly there are no voting rights in respect of any treasury shares.

Total Voting Rights On Admission, the above mentioned figure of 191,707,845 Ordinary Shares may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, African Pioneer under the Financial Conduct Authority's Disclosure Guidance and Transparency Rules.

Background on the Namibian Projects (from the Company's 26 May 2021 prospectus)

Geological Setting and Mineralisation: Both the Ongombo and Ongeama projects (EPLs 5772 and 6011) are geologically located within the Matchless Member of the Kuiseb Formation, a conspicuous assemblage of lenses of foliated amphibolites, chlorite-amphibolite schist, talc schist and metagabbro. This belt, up to 5 km wide in the Otjihase Mine (in care and maintenance) area, stretches 350 km east-northeastwards within the Southern Zone of the Damara Orogen from the Gorob - Hope area in the south, towards Steinhausen in the north. The belt hosts copper-gold mineralisation which has been in past production at two localities (Otjihase - and Matchless Mines owned by Weatherly International plc).

Access and Availability of Exploration Requirements: Both projects are located in the Khomas Region of central Namibia within 50 km by road from the capital Windhoek. Both EPLs are accessed via the B6 road leading eastwards towards Hosea Kutako International Airport. EPL 6011 (Ongeama) is accessed via the D1527 road leading northwards towards the Weatherly International plc Otjihase Mine (now under administration), while the D2102 (branching from the D1510) district road provides access to EPL 5772 (Ongombo). The international airport is approximately 12 km east of the combined EPL area. Labour will be available from the city of Windhoek. Potential tailings storage areas, waste disposal areas, heap leach pads and potential processing plant sites can only be identified after an EIA has been completed. Windhoek should also be able to supply most exploration requirements and comply with all sustenance supplies.

Mineralisation Type and Model: Both the Ongombo and Ongeama projects are generally described as Besshi-type volcanic-hosted massive sulphides. These are described as thin-sheet like bodies of massive to well-laminated pyrite, pyrrhotite, and chalcopyrite within thinly laminated clastic sediments and mafic tuffs.

Historical Information: The Ongombo occurrence was discovered in the early 1970's by an airborne magnetic survey, which was followed up on by 132 historical diamond drill holes that have defined three main northwest dipping mineralised shoots. The Ongeama copper occurrence is geologically similar to the Ongombo occurrence. Historical work defined a surface outcrop of northeast-southwest trending gossanous pelitic schists developed over 1.2 km. Subsequently, 26 diamond drill holes completed in 1970's demonstrated the Ongeama shoot extends down-plunge for a distance of 1,650 m, over a width of 150 to 250 m. Further drilling in the 1990's showed copper mineralisation to extend to a depth of 350 m below surface.

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The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 as it forms part of UK Domestic Law by virtue of the European Union (Withdrawal) Act 2018 ("UK MAR").

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