

20 December 2021

**African Pioneer Plc**  
**(“African Pioneer” or “the Company”)**

**Ongombo Project, Namibia - Resource Update,  
Scoping Study and Submission of Mining Licence Application**

African Pioneer plc (“**APP**” or the “**Company**”), the exploration and resource development company with projects located in Namibia, Botswana and Zambia, is pleased to provide an update on the 85% owned Ongombo Copper Mine Project (“**Ongombo**” or the “**Project**”) situated in Namibia and to inform shareholders that a Mining Licence Application (“**ML**” or the “**Licence**”) has been submitted to the Ministry of Mines and Energy.

<b>3.76 Mt increase in Measured &amp; Indicated Mineral Resource</b>	The Ongombo Mineral Resource has increased by 3.76 million tonnes in the Measured & Indicated category to 10.47Mt @ 1.4% Cu, 7g/t Ag at a cut-off of 1.0% Cu, with 0.35g/t Au categorised as Inferred following a JORC (2012) compliant review by external consultant, Red Bush Analytics.
<b>Positive Scoping Study Conclusions</b>	<p>The base case of the Scoping Study by Mine design specialists, Practara Consulting, generated a post-tax NPV of US\$39 million using a 10% discount rate and an IRR of 27.7%,with payback from first production estimated to be 2.4 years.</p> <p>Practara considers that the economic study for Ongombo meets the “Criteria for Reasonable Prospects for Eventual Economic Extraction”.</p>
<b>Mining Licence submitted</b>	A Mining Licence application has been submitted to the Ministry of Mines and Energy of Namibia.
<b>Partners to manage application</b>	Windhoek based Shali Group in conjunction with Avanti Resources has been engaged to follow through with the Ongombo Copper Project Mining Licence application
<b>Met test work</b>	Metallurgical test work to commence early in the New Year
<b>Geophysics planned</b>	Possible deposit extensions to be investigated by geophysics

Executive Chairman, Colin Bird said:

*“The Company intends to progress all pertinent matters in order to bring the proposed mine into operation as soon as possible and will provide further updates as appropriate. As an order of magnitude, we are targeting a mine to process some 400-500Kt per annum with a copper production in the region of some 7-8Kt per annum. This mining plan is coincident with our stated ambition to join the small copper mining sector which internationally has largely been eliminated and, in our opinion, will be an important component of tomorrow’s copper production. The deposit limits are not yet fully defined and we will be carrying out further investigations to either increase mine production or extend mine life.”*

### Mineral Resource Estimation

Red Bush Analytics has re-worked all the historical drilling data from Ongombo generated by Gold Fields Namibia. In addition, more recent drilling by Namibian Copper in 2014, and the Shali Group in 2017, has been incorporated into the database. The updated 2021 Mineral Resource Estimation incorporates a total of 184 validated holes. These comprise 195 intersections from 153 Gold Fields holes drilled in the 1980’s to early 1990’s, 2 holes from the 2008 Namibian Copper (NCO programme), 23 holes from the 2014 NCO programme, and 6 holes from the 2017 Shali Group programme.

The revised JORC (2012)-compliant mineral resource estimate, using a 1.0% Cu cut-off, increases the quantity of Measured and Indicated Mineral Resources by 3.76Mt to 10.47Mt at a grade of 1.39% Cu (previously 1.52% Cu), compared to the 2013 Coffey Mining report, and all Measured Resources have been re-classified as Indicated. The re-classification is due to the inclusion of the 2014 drilling which has no borehole deviation survey data available. The increase in tonnage is due to inclusion of downgraded 2013 Measured Mineral Resources, addition of new material from the 2014 drilling and re-evaluated tonnages due to reinterpretation of structure and statistics. The Au grade has also been reassessed and has been increased to 0.35g/t. Due to high level of uncertainty related to the scarcity of gold data, all Au resources are classified as Inferred Resources.

The resource estimate also includes a further 1.65Mt @ 1.37% Cu in the Inferred Resource category.

<b>Mineral Resources as at 30 September 2021 – JORC (2012)-compliant*</b>				
<b>Resource Category</b>	<b>In situ tonnes &amp; grade at 1.0% Cu cut-off</b>			
	<b>Tonnes (Mt)</b>	<b>Cu (%)</b>	<b>Ag (g/t)</b>	<b>Au (g/t)**</b>
<b>Measured</b>				
Central Shoot	<b>0</b>	-	-	-
East/Ost Shoot	-	-	-	-
<b>Indicated</b>	<b>10.47</b>			
Central Shoot	<b>3.67</b>	<b>1.61</b>	<b>7.06</b>	<b>0.35</b>
East/Ost Shoot	<b>6.80</b>	<b>1.27</b>	<b>6.9</b>	<b>0.35</b>
Total Measured & Indicated	<b>10.47</b>	<b>1.39</b>	<b>7.0</b>	<b>0.35</b>
<b>Inferred</b>				
Central Shoot	<b>0.39</b>	<b>1.38</b>	<b>7.0</b>	<b>0.35</b>
East/Ost Shoot	<b>1.26</b>	<b>1.37</b>	<b>7.4</b>	<b>0.35</b>
<b>Total</b>	<b>1.65</b>	<b>1.37</b>	<b>7.3</b>	<b>0.35</b>

\* All figures refer to the total Project Mineral Resource

\*\* All Au is classified as Inferred

### Scoping Study

A detailed review and upgrade of the 2014 Coffey Mining Scoping Study was carried out by Johannesburg based mine design specialists Practara Pty Ltd (“Practara”).

The updated economic evaluation was based on ore grades of 1.4% Cu, 6.62g/t Ag and 0.32g/t Au. The base case and two alternative studies all generate a positive NPV, with the base case producing the most optimal outcome. Sensitivity analysis demonstrates that the Project is naturally most sensitive to Cu price, FX, and Cu grade.

Economic analysis with costs in Namibian dollars (N\$) yielded a positive business case for the Project and generated a post-tax NPV of US\$39 million using a 10% discount rate and an IRR of 27.7% . The peak funding requirement is estimated at US\$50 million and payback from first production is estimated to be 2.4 years. Practara considers that the new economic study of the Ongombo Project meets the Criteria for Reasonable Prospects for Eventual Economic Extraction. The key results of the base case in the Practara scoping study are summarised in the table below.

Metric	UoM	Result
<b>Business Returns:</b>		
Net Present Value (Post-Tax) *	US\$ million **	39
Internal Rate of Return (Post-Tax)	% real	27.7%
Payback Period (from 1st Production)	years	2.4
Peak Funding	US\$ million (real) **	50
EBITDA Margin	%	41%
Capital Efficiency (NPV / CapEx)	%	93%

Note

\* The NPV was calculated using a 10% discount rate and a copper price of US\$3.72 /lb.

\*\* FX rate used to convert N\$ to US\$ is US\$ 1 = N\$16.76

### Metallurgical Test Work

Planning is under way for a large diameter diamond drilling programme early in 2022 to obtain representative ore samples for metallurgical test work. This test work will provide guidance regarding the optimal processing route for the Ongombo ore.

### Geophysical Programme

Namibian based EM and Natural Source Audio-Magnetic (NSAMT) specialists, Gregory Symons Geophysics, have been commissioned to re-work all available NSAMT data at Ongombo. The NSAMT technique is a useful aid to detecting mineralisation at Ongombo and, in particular, can be used to indicate potential for deeper extensions to the deposit down-plunge and down-dip.

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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").*

**Qualified Person:**

Technical information in this announcement has been reviewed by Edward (Ed) Slowey, BSc, PGeo, a technical adviser to African Pioneer Plc. Mr Slowey is a graduate geologist with more than 40 years' relevant experience in mineral exploration and mining, a founder member of the Institute of Geologists of Ireland and is a Qualified Person under the AIM rules. Mr Slowey has reviewed and approved this announcement.

**Glossary**

A 'Mineral Resource' is a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade (or quality), and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade (or quality), continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.

An 'Indicated Mineral Resource' is that part of a Mineral Resource for which quantity, grade (or quality), densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit.

An 'Inferred Mineral Resource' is that part of a Mineral Resource for which quantity and grade (or quality) are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade (or quality) continuity. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.

"Ag"	Silver
"Au"	Gold
"Cu"	Copper
"g/t"	grammes per tonne
"Kt"	thousand tonnes
"Mt"	million tonnes