

RNS Number : 7216T
BMR Group PLC
10 January 2017

BMR Group PLC ("BMR" or the "Company")

Kashitu, Kabwe Prospect Geological Update

Introduction

The Board is pleased to announce the results of the Company's first phase Kashitu geological exploration programme, as announced on 30 June 2016, which was designed to confirm and follow up on the historic work previously undertaken in the area covered by the Large Scale Mining Licence ("LSML") by Zambia Anglo American ("ZamAnglo"), Zambia Consolidated Copper Mines ("ZCCM"), Billiton Development Zambia Ltd. ("Billiton") and Teal Mining and Exploration ("Teal").

Kashitu Exploration Objectives

The objective of BMR's Kashitu programme was to investigate whether, within the LSML area, there is potentially an additional near surface ore source to exploit. The Company was looking to try and identify an easily mineable, high-grade surface alluvial Zinc ore deposit amenable to blending with the Company's tailings and being treated in the Process Plant currently under construction at Kabwe.

Historic Exploration Programmes

The Kashitu section lies in the south east sector of the Company's LSML where previously ZamAnglo, ZCCM, Billiton and Teal had undertaken geological exploration programmes between 1958 and 2006 comprising, soil sampling, pitting, reverse circulation (RC) and diamond drilling. All resulting, available geological data now acquired by the Company from these four campaigns has been captured and consolidated on the Company's geological data base and analysed.

In the main, all these earlier exploration programmes focussed on the discovery of high-grade zinc deposits at >10m depth (deep zinc-sulphide ores), or secondary zinc willemite ores in the region 3-10m depth, all of which would have involved expensive exploitation methods. High grade zinc alluvial material which had been identified in the upper 3m during these previous campaigns at Kashitu had been largely overlooked.

Drilling Programme and Results

Based on the results from these earlier exploration campaigns, BMR commenced, in October 2016, an auger soil sampling programme comprising 231 holes up to a depth of 2m, on a 50m x 50m grid over an area of 1 km x 0.5 km to investigate potential high-grade surface expressions of Zinc associated with the upper alluvial material.

Field conditions restricted sample drilling to 183 holes, the results of which have enabled the Company to delineate three distinct surface mineralised zones as follows:-

- An area 900m and 300m wide assayed > 1% Zinc and up to 2.5% Zinc, which is open to the east, west and south
- An area 400m long and 130 m wide assayed > 2.5 % Zinc which is open to the south, and
- An area 230m long and 50 m wide assayed > 5% Zinc and up to 21 % Zinc and which is open to the south

An illustration of the results can be seen on the Company's website at <http://www.bmrplc.com>.

Independent random check assays on behalf of the Company have been carried out by Misenge Environmental and Technical Services Ltd, Kabwe on selected samples to verify the Zinc, Lead, Vanadium and Silver grades.

From a total of 183 samples, silver was detected in 19 samples, each of which was submitted for independent assay checks. Evidence suggests that higher silver grades show a strong correlation with higher Zinc grades. The highest grade silver assayed was 16.8 g/t Ag associated with 8.4% Zinc using XRF analysis.

Lead and Vanadium grades did not exceed 2% and 0.15% respectively.

Conclusions and Future Programme

The Board considers these results to be extremely encouraging, allowing room for a reinterpretation of theories and the Kashitu mineralising models.

This conclusion is supported by the presence of high-grade Zinc at surface with preliminary auger samples assaying up to 21% Zinc and the delineation of a high-grade zone 400m x 130m within the target drill area consistently assaying greater than 2.5% Zinc in every sample.

The Board believes that the identification by the Company of a NE-SW trending area of elevated Zinc-in-soils, open to the south, could be related to a Kabwe style and previously un-identified structural trend.

As a result, the Company intends to explore whether there is a possible extension to this high grade Zinc zone and undertake a second phase of auger drilling to the south and east, still within its LSML. Subject to field conditions, this work will start immediately and be carried out by Enviro Processing Ltd's geologist under the supervision of BMR's Group Geologist, Ms Steph Wilk.

This announcement contains inside information for the purposes of Article 7 of Regulation 596/2014.

Note: This announcement has been reviewed by Geoff Casson, B.Sc. (Hons), PhD, R Eng (Zambia), Member Engineering Institute of Zambia (Metallurgy), General Manager of the

Company's Zambian subsidiary, Enviro Processing Ltd, who is a Qualified Person in accordance with the guidance note for Mining, Oil & Gas Companies issued by the London Stock Exchange in respect of AIM Companies.

Alex Borrelli, Chairman of BMR, commented: "These preliminary results indicate that the Company may have significant potential further resource in the Large Scale Mining Licence, further underpinning the asset value of the Company. We will update shareholders with our results as we explore further the area with the LSML."

For further information:

BMR Group PLC

020 7734 7282

Alex Borrelli, CEO and Chairman

WH Ireland Limited

020 7220 1666

NOMAD and Joint Broker

Chris Fielding, Head of Corporate Finance

Nick Prowting, Manager

Peterhouse Corporate Finance

020 7469 0930

Joint Broker

Lucy Williams/ Duncan Vasey/ Heena Karani

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