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BMR Group PLC
15 January 2018

BMR Group PLC

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

Share subscription by Jubilee Metals Group PLC ("Jubilee")

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

BMR Group PLC announces that Jubilee Metals Group PLC has agreed today to subscribe for 97,371,298 new ordinary shares of 1 penny each in the capital of the Company (the "**BMR Subscription Shares**").

Highlights

- 25,000,000 of the BMR Subscription Shares will be issued for 2.00 pence each, raising aggregate proceeds of £0.5 million
- 72,371,298 BMR Subscription Shares will be issued in exchange for 63,166,969 new ordinary shares of 1 penny each in the capital of Jubilee
- The overall average subscription value per BMR Subscription Share is approximately 2.90 pence
- This represents a premium to BMR's closing mid-market price on 12 January of approximately 26%
- Jubilee's aggregate holding in BMR will amount to 97,371,298 ordinary shares (representing c.29.01% of the enlarged BMR share capital)
- BMR's holding in Jubilee will amount to 63,166,969 ordinary shares (representing c.4.83% of the enlarged Jubilee share capital)
- Whilst its holding represents more than 15% of BMR's issued share capital, Jubilee is entitled to appoint a director to the Board of BMR (subject to the approval of BMR's Nominated Adviser) and to the board of BMR's subsidiary Enviro Processing Limited
- Both the Company and Jubilee are subject to lock-in and orderly market arrangements on the same terms

Alex Borrelli, Chairman, commented:

"The Directors strongly believe that the significant commitment of Jubilee to BMR as a large minority shareholder with highly complementary mining expertise effectively rebases the Company, together with the cash subscription, and enables us to advance with confidence. We look forward to Jubilee's completion of its test work and outstanding due diligence in order to determine with BMR the optimal metal extraction process and to confirm the ultimate project design parameters for the completion of the Kabwe plant, currently under construction with a targeted completion date at the end of Q2 2018."

Share subscription by Jubilee

Jubilee has agreed today to subscribe for 97,371,298 new ordinary shares of 1 penny each in the capital of the Company (the "**BMR Subscription Shares**"). 25,000,000 of the BMR Subscription Shares will be issued for 2.00 pence each, raising aggregate proceeds of £0.5 million, and the remaining 72,371,298 BMR Subscription Shares will be issued in exchange for 63,166,969 new ordinary shares of 1 penny each in the capital of Jubilee (the "**Jubilee Subscription Shares**"). At the mid-market closing price of a Jubilee share on 12 January 2018 of approximately 3.67 pence, the Jubilee Subscription Shares have an aggregate value of approximately £2.32 million, which is equivalent to approximately 3.20 pence for each of the 72,371,298 BMR Subscription Shares. Together with the BMR Subscription Shares issued for cash,

the overall average subscription value per BMR Subscription Share is approximately 2.90 pence. This represents a premium to BMR's closing mid-market price on 12 January of approximately 26%.

Application will be made to the London Stock Exchange for the BMR Subscription Shares to be admitted to trading on AIM and it is expected that admission will become effective and trading will commence on 19 January 2018. The BMR Subscription Shares will rank pari passu with the existing ordinary shares of the Company. Application will be made to the London Stock Exchange for the Jubilee Subscription Shares to be admitted to trading on AIM and it is expected that admission will become effective and trading will commence on 19 January 2018. The Jubilee Subscription Shares will rank pari passu with the existing ordinary shares of Jubilee

Upon admission, Jubilee's aggregate holding in BMR will amount to 97,371,298 ordinary shares (representing c.29.01% of the enlarged BMR share capital) and BMR's holding in Jubilee will amount to 63,166,969 ordinary shares (representing c.4.83% of the enlarged Jubilee share capital).

Whilst its holding represents more than 15% of BMR's issued share capital, Jubilee is entitled to appoint a director to the Board of BMR (subject to the approval of BMR's Nominated Adviser) and to the board of BMR's subsidiary Enviro Processing Limited.

Both the Company and Jubilee are subject to lock-in and orderly market arrangements on the same terms:

- (a) following admission of the shares, 25% of both the BMR Subscription Shares and the Jubilee Subscription Shares will be free-trading with the balance subject to lock-ins by, respectively, the Company and Jubilee;
- (b) after 6 months, a further 25% of both the BMR Subscription Shares and the Jubilee Subscription Shares will be released from the lock-in and will be free-trading;
- (c) after 12 months the balance of shares (being 50% of both the BMR Subscription Shares and the Jubilee Subscription Shares) will be released from the lock-in and will be free-trading; and
- (d) for the initial 12 months following completion, any free-trading shares shall be subject to an orderly market agreement whereby, before any disposal, the selling party must give the broker of the respective company, not less than 20 business days to provide matching buyers for the shares offered for sale.

By virtue of its 15% interest in Enviro Processing Limited, Jubilee represents a related party of BMR hence this subscription represents a related party transaction in accordance with AIM Rule 13. The Directors of BMR consider, having consulted BMR's Nominated Adviser, that the terms of the transaction are fair and reasonable insofar as its shareholders are concerned.

Jubilee is admitted to trading on AIM with a market capitalisation of c.GBP48 million. It is a mining exploration and development company with a strategy to create an integrated mine-to-metals company with a primary focus on platinum. This is based on modern and thoroughly proven smelting technology to process Jubilee's own and others' high-chrome PGE concentrates and, importantly, to improve mining environments by reprocessing mine tailings dumped by other miners. Jubilee is developing and has successfully completed a number of joint venture projects in Africa and elsewhere. In its year ended 30 June 2017, Jubilee incurred a loss before taxation, excluding one-off items, of £2.1 million. Its net assets at that date amounted to £53.5 million.

Further details regarding Jubilee are available on its website at www.jubileemetalsgroup.com.

Following admission of the BMR Subscription Shares to trading on AIM, the Company will have a total of 335,710,864 ordinary shares in issue. This figure may be used by shareholders 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, the Company under the FCA's Disclosure and Transparency Rules.

The net proceeds of the subscription will enable BMR to meet its ongoing working capital requirements.

For further information:

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