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BMR Group PLC
23 February 2018

BMR Group PLC

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

Star Zinc and Kabwe update

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

Star Zinc

Pursuant to its announcement on 5 September 2017 the Board announces that BMR yesterday made the final payment due to Bushbuck Resources Limited ("**Bushbuck**") to complete the acquisition of the Large Scale Prospecting Licence 19653 - HQ - LPL ("**Star Zinc**").

Bushbuck has therefore no longer any charge over either (i) the removable assets of BMR's wholly-owned subsidiary, Enviro Processing Limited, which owns all of the assets at Kabwe, BMR's principal operations, bar the property, or (ii) \$570,000 of new ordinary shares of BMR at a discount of 25% to the prevailing market price.

Galileo Resources PLC ("**Galileo**") has fulfilled its obligation to undertake a \$250,000 work programme (in respect of which it placed \$100,000 in escrow) as a result of which it is entitled, upon regulatory approval in Zambia, to increase its aggregate equity interest in Star Zinc to 85%.

BMR has determined not to exercise its right to reduce the interest of Galileo in Star Zinc from 85% to 75%. Accordingly the \$100,000 placed in escrow by Galileo will be released to the Company.

Kabwe

Following meetings between the Company and directors of the Zambian Mining Ministry and Mining Cadastre, preparation of the Company's appeal against the notice of cancellation, announced on 7 February 2018, taking into account recommendations of officials of the aforementioned Zambian entities, is well advanced and the formal appeal is expected to be submitted by no later than 2 March 2018.

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