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URA Holdings PLC  
27 February 2023

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27 February 2023

## URA Holdings plc

("URA" or the "Company")

### Completion of Acquisition of Historical Gravelotte Emerald Mine, South Africa, Issue of Equity and Total Voting Rights

URA Holdings plc (LSE: URAH) is pleased to announce that it completed the acquisition of G.E.M Venus Holdings (Proprietary) Limited ("Gem Venus"), the ultimate owner of the majority interest in the Gravelotte emerald mine ("Gravelotte") located in the Limpopo province of South Africa from Magnum Mining and Exploration Limited ("Magnum").

#### Highlights

- Following the completion of the acquisition URA will now issue Magnum 4,000,000 ordinary shares, credited as fully paid (the "Consideration Shares"), equal to the consideration due upon completion of £100,000 and calculated using an average mid-market closing price of 2.5p. over the measuring period.
- Gravelotte was historically the largest emerald mine in the world and was operational from 1929 to 2002 with total recorded historical emerald production from Gravelotte of nearly 113 million carats:
- During 2022 URA established an independent maiden JORC (2012) Mineral Resource Estimate of **29 million carats** of contained emerald in just two out of the openpittable deposits on the Gravelotte property
- 12 Additional JORC (2012) **Exploration Targets** totalling between **168 million carats** and **344 million carats** were also established
- The JORC Resource highlights the significant remaining resource and potential of the mine and paves the way to committing to the restart of operations by URA.
- Mine, processing plant and infrastructure upgrades currently in progress with the goal of restarting production in 2023, refurbishing existing on-site facilities

**Ed Nealon, Chairman of URA commented:** *"We are delighted to have completed the acquisition of the world renowned Gravelotte Emerald mine. The vast majority of the purchase price is to be paid from future emerald production and sales. During 2022 we made significant progress towards the restart of mining operations. URA established the first ever code compliant independent resource for the Gravelotte project by commissioning an initial JORC Resource which identified **29m carats** of contained emeralds. This resource represents a life-of-mine of over 10years at historical peak production rates. We further believe that this already large resource can and in due course will be increased further as indicated by the large JORC exploration target of between **168 million carats** and **344 million carats**. We are now preparing for the restart of mining and processing operations and believe that this can be achieved by a modest capital investment."*

### **Details of the Transaction now completed**

Following the satisfaction or waiver of all conditions precedent, URA has now acquired 100% of the issued shares in GEM Venus (a company incorporated in the Republic of South Africa) and its subsidiary companies (the "Acquisition"), from Magnum, an Australian public company listed on the Australian Stock Exchange. Through the Acquisition, URA has acquired a licence giving the rights to exploit the historical Gravelotte mine (also known as the "Cobra Emerald Mine") in South Africa.

The key terms of the Acquisition are -

- 4,000,000 Consideration Shares, credited as fully paid, equal to the consideration due upon completion of £100,000 and calculated using an average mid-market closing price of 2.5p. over the measuring period.
- Additional consideration of AUD200,000.00 (approx. £123,000) in cash for each 5,000,000 carats of emeralds produced by Gravelotte up to a maximum aggregate amount of AUD2,000,000 (approx. £1,230,000) as a production royalty.
- Gem Venus owns 74% of the issued share capital of ADIT Mining (Proprietary) Limited ("ADIT") and Venus Emerald (Proprietary) Limited ("Venus") which hold all the mineral rights in respect of emerald mining and extraction at Gravelotte. The remaining 26% of the issued share capital of Adit and Venus are held by a Black Economic Empowerment ("BEE") compliant structure predominantly consisting of local employees and the local community.

These mineral rights are held through a long-term mining lease agreement providing all surface access and rights required for ongoing exploration and development of Gravelotte, including the use of management housing, offices, staff accommodation, workshop and other existing mine infrastructure on site.

### **Project Summary**

The Gravelotte Mine is located close to the town of Gravelotte in the Limpopo province of South Africa. The Gravelotte Mine is located in an area with well-developed infrastructure and other world-class

mining operations including the Consolidated Murchison Mine, the oldest known antimony deposit in the world, and the Phalaborwa Copper Mine and Refinery.

Emeralds were discovered in the Gravelotte area in 1927 and since then several companies have mined and explored the area for emeralds. Historical records indicate that during the 1960's the Gravelotte Project was the largest emerald mine in the world, employing over 400 sorters.

From 1929 to 2002 the total recorded emerald production from Gravelotte and the surrounding area was nearly 113 million carats of which Gravelotte substantially the largest contributor. The Cobra open pit located on the Gravelotte Mine property is historically the biggest single emerald producing open pit in the region and is reported to have produced 21 million carats in the mid-1960's.

Following extensive work done by URA on the project since signing of the acquisition agreement in March 2022, a maiden independent JORC (2012) **Resource of 29 million carats** of contained emerald was established by ACA Howe. Of this total, the Cobra pit holds 1.2 million tons at 6.4 grams per ton for 19.4 million carats of contained emerald and the nearby Discovery deposit holds 0.7 million tons at 5.7 grams per ton for 9.6 million carats of contained emerald. 12 Additional JORC (2012) **Exploration Targets** totalling between **168 million carats** and **344 million carats** were also established by ACA Howe (please see JORC Resource announcement dated 21 November 2022 for more detail). It is to be emphasised that these resources are exploitable using open pit techniques. The maiden JORC Resource at this historically major mine area shows the mine to be of continuing major international significance.

Much of the historical mining infrastructure remains in place and is currently being upgraded for reuse. While the Company will need to acquire a modest amount of new mining and processing equipment (using optical sorters to replace the labour-intensive hand sorting of the past), we expect to be able to bring Gravelotte quickly back into production.

URA's overall immediate objective is to complete preparatory work and bring Gravelotte back into commercial production. We will keep shareholders informed of progress as we move towards production.

Applications have been made to the Financial Conduct Authority (the "FCA") for the Consideration Shares to be admitted to listing on the standard segment of the Official List maintained by the FCA and to trading on the main market for listed securities of London Stock Exchange plc. It is expected that admission of the Consideration Shares will occur on or around 8.00 a.m. on 2 March 2023.

#### Total Voting Rights

Following the issue of the Consideration Shares, the Company's issued share capital will consist of 145,845,590 ordinary shares, with voting rights. This figure may be used by shareholders in the Company as the denominator for the calculation by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the FCA's Disclosure Guidance and Transparency Rules. The Company does not hold any Ordinary Shares in treasury.

The person who arranged for the release of this announcement was Bernard Olivier, CEO of the Company.

- Ends -

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