

# BWA Group PLC

## Investment Update

21 December 2017  
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### **BWA GROUP PLC** (“BWA” or the “Company”)

#### **Investment Update, Issue of Equity and Proposed Issue of Convertible Loan Notes**

BWA Group plc, the NEX Exchange Growth Market traded investment company, is pleased to announce developments in relation to its investee company, Mineralfields Group Limited (“Mineralfields”).

Mineralfields is the holding company of a group which has been seeking to secure mining licences for the extraction of Rutile Sands in Cameroon. The process for obtaining these licences had been protracted, due in part to the introduction of a new mining law in Cameroon in 2016. However, direct discussions between BWA and the Cameroon Government have made significant progress in recent months, such that the Directors of BWA now believe that the relevant licences will be granted by the Cameroon Government soon.

When the licences are granted, they are expected to be allocated to a wholly owned Cameroonian subsidiary of BWA. At that time, BWA also intends to enter into an agreement with Mineralfields, pursuant to which Mineralfields will undertake to operate the mining concessions at the licences. As consideration for entering into this agreement, BWA will be allotted additional shares in Mineralfields which will take the Company’s interest from 12% to approximately 25% of Mineralfields’ issued share capital.

After the issue of the additional Mineralfields’ shares to BWA, the Directors of BWA will have the following interests in that company:

<i>Director</i>	<i>%</i>
R G Battersby	12.1
M A Borrelli	10.6
J M V Butterfield	11.3

Alex Borrelli and James Butterfield are also directors of Mineralfields. BMR Group Plc, a company of which Alex Borrelli is Chairman, will be interested in 6.5% of the issued share capital of Mineralfields once the new Mineralfields shares are issued.

In contemplation of the arrangements set out above, BWA has issued 8,374,108 new ordinary shares of 0.5p each in the Company (“Ordinary Shares”), at a price of 0.5p per share, to settle certain outstanding obligations of Mineralfields. Of these Ordinary Shares, 923,534 have been allotted to James Butterfield and 903,334 have been allotted to Alex Borrelli in settlement of sums owed to them by Mineralfields.

Following this issue of Ordinary Shares, the interests of the Directors are as follows:

<i>Director</i>	<i>Number of Ordinary Shares</i>	<i>%</i>
R G Battersby	16,510,822	13.7
M A Borrelli	2,378,970	2.0
J M V Butterfield	18,666,271	15.5

In addition, the Company intends to issue up to £300,000 nominal of 14% Convertible Unsecured Loan Notes 2020 (the “Loan Notes”), the proceeds of which will provide general working capital for BWA and allow the Company to make further investments in the Mineralfields project.

An initial tranche of £150,000 Loan Notes is proposed to be issued by the Company for cash. Bath Group Limited, a company which is wholly owned by Richard Battersby, Chairman of BWA, will subscribe for £50,000 of Loan Notes in this initial tranche. Mr Battersby will also be allotted a further £70,000 of Loan Notes to settle amounts due to him from Mineralfields.

Interest on the Loan Notes will be paid at an annual rate of 4% in cash, with the remaining 10% being rolled up and convertible, along with the principal amount of the Loan Notes, into a maximum of 36,000,000 Ordinary Shares at a price of 0.5p per share.

Following the issue of Ordinary Shares referred to above (but before any conversion of the Loan Notes), BWA has 120,531,833 Ordinary Share in issue, each share carrying the right to one vote. The Company does not hold any ordinary shares in treasury. The above figure of 120,531,833 Ordinary Shares may be used by shareholders in the Company 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 share capital of the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

The Directors of BWA are responsible for the contents of this announcement.

For further information please contact:

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**Market Abuse Regulation (MAR) Disclosure**

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. Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.