

22 November 2019

BWA GROUP PLC

("BWA" or the "Company")

Update on Funding and Directorate Change

Update on Funding

Further to the Company's announcement of 1 November 2019, the Directors announce that settlement has not been received from the original subscribers for the outstanding balance of £80,000 of the £100,000 of Convertible Loan Notes issued for cash at the time of the acquisition of Kings of the North Corp ("KOTN"). In light of this, BWA has called on the previously announced corporate guarantee and is taking steps to ensure recovery of the amount due in the coming weeks.

BWA has secured alternative funding to make good the shortfall immediately, by increasing the maximum nominal amount of 14% Convertible Unsecured Loan Notes (the "Loan Notes") available for issue from £300,000 to £350,000 and issuing a further £81,000 in nominal value of the Loan Notes. Following this issue, there are £301,000 in nominal value of the Loan Notes in issue. Interest on the Loan Notes is 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 ordinary shares of 0.5p each in the Company at a price of 0.5p per share. At the same time, the Company has extended the conversion date for the Loan Notes from 31 December 2019 to 31 December 2021.

The proceeds of the issue of Loan Notes and funds received pursuant to the guarantee will be used by the Company for general working capital purposes.

Directorate Change

On completion of the acquisition of KOTN from St-Georges Eco-Mining ("SX"), Vilhjalmur Thor Vilhjalmsson, the President and Chief Executive of SX, was appointed as Chief Executive Officer of the Company. BWA and SX, which is interested in 23.75% of the Company's issued share capital, have now agreed that it would be more appropriate for another SX board member to represent that company on the Board of BWA. Accordingly, Vilhjalmur Thor Vilhjalmsson has resigned as a director of the Company and Mark Billings, the **Chairman of SX, has agreed to become a non-executive director of BWA, subject to completion of customary due diligence.** Mark holds an MBA from the Harvard Business School and a BA Political Science from Carleton University. He is also a Chartered Financial Analyst (CFA).

The Directors are actively reviewing the executive structure of the business to incorporate the skills and experience necessary to progress the Company's investments in Canada and Cameroon.

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

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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.