

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document and/or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended).**

If you have sold or transferred all your Ordinary Shares you should hand this Circular together with the accompanying Form of Proxy to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee. If you have sold or transferred only part of your holding in Ordinary Shares in the Company, you should retain these documents.

This Circular does not constitute an offer to buy, acquire or subscribe for, or the solicitation of an offer to buy, acquire or subscribe for, Ordinary Shares or an invitation to buy, acquire or subscribe for Ordinary Shares. This Circular does not constitute a prospectus for the purposes of the Prospectus Rules of the FCA.

The Directors and the Proposed Director accept responsibility, both individually and collectively, for the information contained in this Circular. To the best of the knowledge of the Directors and the Proposed Director, who have taken all reasonable care to ensure that such is the case, the information contained in this Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

**This Circular has not been examined or approved by NEX Exchange or the FCA.**

---

## **BWA GROUP PLC**

*(a public limited company incorporated in England and Wales with registered number 00255647)*

### **Proposed:**

**£4.66 million Acquisition of Kings of the North Corp. (KOTN):**

**Issue of Convertible Loan Notes to raise £100,000;**

**Amendments to the Articles of Association; and**

**Issue of Ordinary Shares to Directors**

**Notice of General Meeting**

---

The distribution of this Circular in jurisdictions other than the UK may be restricted by law and therefore persons into whose possession this Circular and/or accompanying documents come should inform themselves about and observe any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws or regulations of such jurisdictions. In particular, subject to certain exceptions, this Circular, should not be distributed, forwarded to or transmitted in or into the United States (as defined in Regulation S of the United States Securities Act of 1933, as amended (**the "Securities Act"**)).

Neither the Convertible Loan Notes nor any Deferred Non-Voting Shares have been, nor will they be, registered in the United States under the Securities Act, as amended. The Convertible Loan Notes and Deferred Non-Voting Shares may not be offered or sold, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons (as such terms are defined in Regulation S). This Circular does not constitute an offer to sell or issue or the solicitation of an offer to buy or subscribe for Convertible Loan Notes or Deferred Non-Voting Shares in any jurisdiction outside of the UK in which such offer or solicitation is unlawful.

**Your attention is drawn to the letter from the Non-Executive Chairman of the Company set out on page 4 of this Circular, which recommends that you vote in favour of the Resolutions to be proposed at the General Meeting referred to below. The General Meeting has been convened by the Directors for the purpose of considering the Proposals set out in this document.**

Notice convening a General Meeting of the Company, to be held at 11a.m. on 30 September 2019 at BDB Pitmans LLP, 50 Broadway, London, SW1H 0BL, is set out at the end of this Circular. The enclosed Form of Proxy should, to be valid, be completed and returned in accordance with the instructions printed on it to the Registrars so as to be received no later than 11a.m. on 26 September 2019 or 48 hours before any adjourned meeting. Completion and return of the Form of Proxy will not preclude a Shareholder from attending in person and voting at the General Meeting.

Copies of this Circular will be available free of charge from the registered office of the Company, which is 50 Broadway, London SW1H 0BL during normal business hours and a copy is available on the website of BWA Group PLC at [www.bwagroupplc.com](http://www.bwagroupplc.com)

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this Circular and Form of Proxy	5 September 2019
Latest time and date for receipt of Forms of Proxy and CREST voting instructions	11 a.m. 26 September 2019
General Meeting	11 a.m. 30 September 2019

### Notes:

1. References to times in this Circular are to London time unless otherwise stated.
2. If any of the above times or dates should change, the revised times and/or dates will be notified to Shareholders by an announcement and posted on the Company's website at [www.bwagroupplc.com](http://www.bwagroupplc.com) in accordance with the Company's articles of association.

## IMPORTANT INFORMATION

### STATISTICS

<i>Number of Convertible Loan Notes to be issued pursuant to the Subscription</i>	100,000 units of £1
<i>Number of Convertible Loan Notes to be issued to the sellers of KOTN</i>	4.66 million units of £1, being the Sterling equivalent of C\$7.5 million
<i>Number of Ordinary Shares in issue at the date of this Circular</i>	120,531,833
<i>Number of Ordinary Shares to be allotted in lieu of Director remuneration</i>	59,638,600
<i>Number of Ordinary Shares to be allotted in satisfaction of outstanding Director loans</i>	12,452,238
<i>Number of Ordinary Shares in issue on Completion</i>	192,622,671

## DIRECTORS, COMPANY SECRETARY AND ADVISERS

<b>Directors</b>	Richard Battersby ( <i>Non-Executive Chairman</i> ) Alex Borrelli ( <i>Non-Executive Director</i> ) James Butterfield ( <i>Non-Executive Director</i> )
<b>Proposed Director</b>	Vilhjalmur Thor Vilhjalmsson ( <i>Proposed Chief Executive Officer</i> )
<b>Registered Office</b>	BDB Pitmans LLP 50 Broadway London SW1H 0BL
<b>Company Secretary</b>	James Butterfield
<b>Website</b>	<a href="http://www.bwagroupplc.com">www.bwagroupplc.com</a>
<b>NEX Corporate Adviser</b>	Peterhouse Capital Limited 3 <sup>rd</sup> Floor 80 Cheapside London EC2V 6EE
<b>Solicitors to the Company</b>	BDB Pitmans LLP 50 Broadway London SW1H 0BL
<b>Auditors to the Company</b>	PKF Littlejohn Statutory Auditors 1 Westferry Circus London E14 4HD
<b>Registrars</b>	Share Registrars Limited The Courtyard 17 West Street Farnham Surrey GU9 7DR

## LETTER FROM THE CHAIRMAN

### BWA GROUP PLC

(a public limited company incorporated in England and Wales with registered number 00255647)

*Directors:*  
Richard Battersby  
Alex Borrelli  
James Butterfield

*Registered Office:*  
BDB Pitmans LLP  
50 Broadway  
London  
SW1H 0BL

5 September 2019

*To holders of Ordinary Shares*

Dear Shareholder,

#### **Proposed:**

**£4.66 million Acquisition of Kings of the North Corp. (KOTN);  
Issue of Convertible Loan Notes to raise £100,000;  
Amendments to the Articles of Association; and  
Issue of Ordinary Shares to Directors  
Notice of General Meeting**

#### **1. Introduction**

The Directors of BWA have for a number of years been seeking a suitable acquisition or major investment for the Company with a view to achieving an enhancement of Shareholder value. They believe that the transaction described in this Circular is capable of meeting that objective.

On 29 May 2019, BWA announced that it had entered into an agreement with Canadian Securities Exchange listed St-Georges Eco-Mining Corp (SX) for the acquisition of KOTN (the Acquisition). KOTN owns five groups of mineral exploration licences, principally in respect of gold, further information on which is set out in paragraph 3 below. The consideration for the Acquisition is C\$7.5 million (£4.66 million). KOTN will have cash balances of C\$300,000 at Completion. In light of the Acquisition's size in relation to the Company, the Acquisition is conditional, amongst other things, on approval by Shareholders at the General Meeting, which is being convened for 30 September 2019.

The purpose of this Circular is to outline the background to, and reasons for, the Acquisition and explain why the Board consider the Acquisition to be in the best interests of the Company and its Shareholders as a whole, and why the Directors recommend that you vote in favour of all the Resolutions, as they intend to do themselves in respect of the Ordinary Shares beneficially held by them.

#### **2. Background to and Reasons for the Acquisition**

Since the formation of the Company, the Directors have sought a suitable investment or investments which will be value enhancing for Shareholders and, over the years, have made a number of small investments, including in a potential mining opportunity in Cameroon, via the Company's subsidiary BWA Resources (Cameroon) Ltd (BWA Cameroon).

The Directors believe that the KOTN licences represent the material investment that they have been looking for and that the Acquisition meets the objectives of the Company's investment strategy, being a sizeable investment in the minerals sector, to build upon the existing investment in BWA Cameroon, which they believe also has the prospect of enhancing Shareholder value.

The Directors have determined that it would be appropriate for an independent valuation report to be prepared based on available data in order for them to have the necessary comfort for the consideration to be paid for KOTN. The Valuation Report is summarised in section 3 below, which includes references to “NI 43-101” reports, the purpose of which is to provide a summary of material scientific and technical information concerning mineral exploration, development, and production activities on a mineral property.

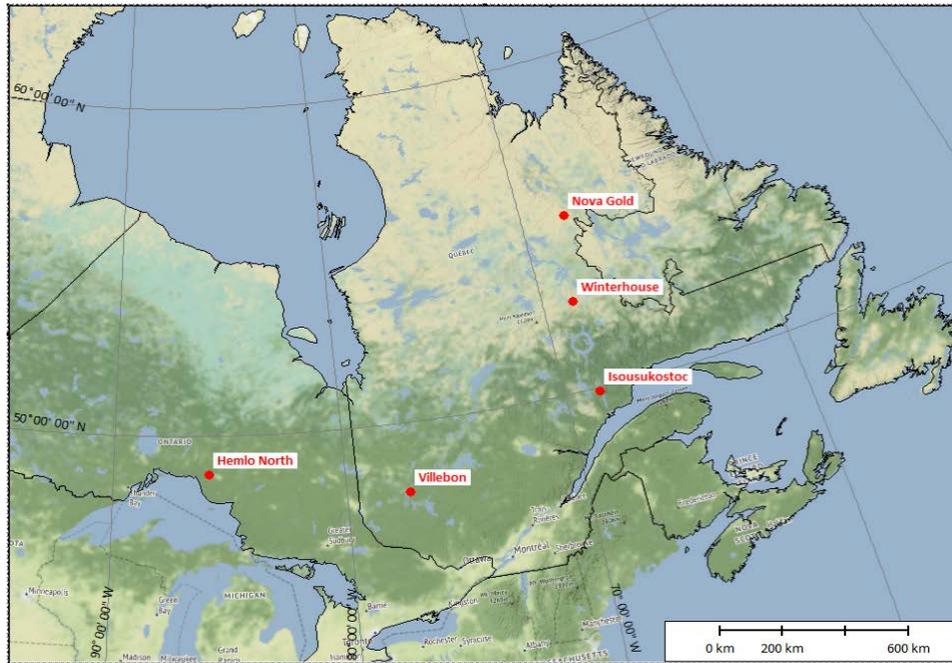
### 3. Description of the KOTN mineral licences being acquired

BWA commissioned an independent report by SRK Exploration Services Limited (‘SRK’) to prepare a technical valuation of the five mineral licence groups owned by KOTN. Formed in 2003, SRK is part of the international group holding company SRK Consulting (Global) Limited, which began in 1975 and includes over 1,400 professional personnel in 45 offices in 20 countries on 6 continents providing expertise in a wide range of exploration, mining and engineering disciplines. SRK specialises in exploration for all metal and industrial mineral commodities, elevating projects from the earliest stage of exploration through to resource drilling.

A summary of the five mineral Licences groups is set out in Table 1 below:-

**Table 1 Kings of the North Concessions and Exploration Stage**

Name	Province	Commodity	Existing NI43-101 Report
Hemlo North Limb	Ontario	Gold	Yes (dated 7 Dec. 2016)
Isoukoustouc	Quebec	Nickel-Copper-Cobalt	Yes (dated 10 Dec. 2009)
Villebon	Quebec	Gold -Nickel-Copper-PGE	Yes (dated 10 Dec. 2009)
Nova Gold	Quebec	Gold	No
Winterhouse (Maison D’hiver)	Quebec	Gold	No



**Figure 1-1: Map Showing the Location of the Five Kings of the North Licence Groups**

SRK have valued each project separately using a combination of the market, cost and geoscience appraisal methodologies. From the valuation estimates using each approach, SRK has developed a final preferred valuation along with what SRK consider to be appropriate ranges for each project (see Table 2), as is defined within the VALMIN code (VALMIN Committee of the Australasian Institute of Mining and Metallurgy, 2015).

**Table 2 SRK Preferred Valuation for the Kings of the North Projects**

Preferred Value Range (CAN\$M)	Hemlo North	Isoukoustouc	Villebon	Nova Gold	Winterhouse	Kings of the North Portfolio
Max	2.1	2.4	3.0	0.7	0.29	8.5
<b>SRK Preferred</b>	<b>1.5</b>	<b>2.2</b>	<b>2.7</b>	<b>0.5</b>	<b>0.26</b>	<b>7.2</b>
Min	1.2	2.1	2.5	0.4	0.25	6.4

*Notes: All values are in Canadian Dollars. A degree of rounding has been conducted throughout the valuation process. SRK consider any differences this may cause to the final valuation figures to be negligible.*

From this Table 2, it can be seen that the SRK's Preferred Valuation for the five licence area groups is \$7.2M Canadian. In determining the SRK Preferred Valuation have considered a number of different exploration valuation approaches, the derived values by valuation technique are summarised in Table 3.

**Table 3 Comparison of Exploration Valuation Methodology Ranges**

SRK Valuation (CAN\$M)	Hemlo North	Isoukoustouc	Villebon	Nova Gold	Winterhouse	Kings of the North Portfolio
PEM Valuation	\$1.2	\$1.7	\$3.5	\$0.5	\$0.05	\$7.0

Min Valuation	\$1.7	\$2.9	\$2.3	\$0.4	\$0.3	\$7.6
NPV Max Valuation	\$26	\$38	\$53	\$16	\$5	\$138
Technical Valuation	\$1.5	\$2.4	\$3.0	\$0.5	\$0.3	\$7.7

Notes: All values are in Canadian Dollars.. A degree of rounding has been conducted throughout the valuation process. SRK consider any differences this may cause to the final valuation figures to be negligible.

Whilst the SRK preferred valuation at \$7.2M Canadian, is calculated with reference to the three lowest valuation criteria above, the valuation based on the 'NPV Maximum Valuation' totals to \$138M Canadian, providing, the Directors believe, considerable potential upside movement in valuation.

Below is a summary of the five licence area groups. References to 'Prospectively' are summarised in the Table below.

### **Hemlo North Licence Group, Ontario - Prospectivity Strong**

Hemlo North property is located in the Superior Province, Wawa Sub-Province. The property straddles the northernmost extent of the Heron Bay-Hernia greenstone belt which also contains the gold-producing mines of Hemlo, Ontario (Fladgate Exploration Consulting Corp., Dec. 2016). The North Property is located 45 kilometres northeast of the town of Marathon, Ontario and 17 kilometres northeast of the Williams Mine operated by Barrick Gold Corporation. Barrick's Hemlo gold mine has produced more than 21M oz's of gold and has been operating continuously for more than 30 years (<https://www.barrick.com/operations/hemlo/default.aspx> ).

### **Isoukoustouc Licence Group - Prospectivity Good**

The Isoukoustouc project is located within the Grenville Geological Province, in the North Shore region of north eastern Quebec. The project area is prospective for nickel-copper-cobalt and PGE mineralisation with three historical prospects located within the claim boundaries. The project area has been subject to aerial geophysics and drilling in 2011/2012.

### **Villebon Project, Quebec - Prospectivity Good**

The Villebon project is located near the south-eastern margin of the Abitibi Greenstone Belt, in the Vald'Or region of Quebec. The project area is prospective for greenstone hosted gold, base metal, nickel and PGE mineralisation, with the historically drilled Cere-Villebon Cu/Ni occurrence located within the claim boundaries. Gold exploration in 1940 led the Geological Survey of Canada to map Villebon Township, produce an aeromagnetic map (1952), followed by further mapping and collection of stream sediments (1971). In the mid-1960s, copper-nickel mineralisation was discovered in this sector.

The project area was subject to drilling in 2010/2011.

### **Nova Gold Project, Quebec - Prospectivity Good**

The Nova Gold project is located in the Superior Province, Ashunaniipi Sub-Province in eastern Quebec. This sub-province is under explored but the area is host to a number of gold occurrences, discovered in 1986, and active gold exploration both within Quebec and neighbouring Labrador.

The project area is split into four blocks of claims. The eastern most two contiguous blocks of claims are prospective for banded iron formation ("BIF") related gold mineralisation in metamorphosed sedimentary units located at the border of Labrador Trough, a younger tectonic belt. Goldcorp's Elenore

mine is reported to be in a similar metamorphic sedimentary/ mobile belt geological setting (St-George Eco Mining Corp, 2018). To the west there are two elongate blocks of claims to the west surrounding ground with three gold occurrences, one of these claims coincides with the single Baleine Rouge Pb-Zn showing.

### Winterhouse (Maison D'Hiver), Quebec - Prospectivity Good

Winterhouse property is located in the Superior Province, Opinaca Sub-Province which also hosts Goldcorp's underground Eleonore Gold Mine (3.8Moz Au Proven & Probable Reserves, 2018 <https://www.goldcorp.com/portfolio/operations/eleonore/default.aspx>). This is in the Fermont area of North Eastern Quebec.

The project area is prospective for Archean greenstone hosted gold and base metals with a number of high grade occurrences and high grade historical drill intersections (at Courcy-2) located approximately 5 km to the west of the property (on Stelmine Inc held ground). The Winterhouse Project is summarised in a presentation prepared by independent geological consultant J.P. Barrette (Barrette, 2018).

### Summary

The Directors consider, that in the light of the SRK report and technical valuation, the acquisition of these five mining licence areas in Canada represent a fair value at the SRK preferred valuation of \$7.2M Canadian. Further, the SRK report shows that the credit amount available in the Exploration Reserve (being the amount already spent on exploration in the licence areas) exceeds, in total, the amount required to be spent for the next licence renewals, by \$950,273 Canadian. The Directors also believe there is considerable upside potential based on the maximum NPV SRK valuation of \$138M Canadian.

**Table Summary of Kings of the North Projects**

	Hemlo North	Isoukoustouc	Villebon	Nova Gold	Winterhouse	KO TN
Exploration Stage	Early	Early	Target Definition	Early	Early	
Prospectivity	Strong, on the northernmost extent of the Heron Bay-Hemlo greenstone belt.	Good	Good	Good	Good	
Identified Prospects	Yes	Yes	Yes	Yes	Yes	
Geophysics	Airborne VTEM Survey	Yes	Yes	Yes	Yes	
Drilling	Historic Scout Drilling	Limited	Limited	No	No	
Historic Mineral Resource or Mineral Reserve Estimates	No	No	Yes, Non-Compliant	No	No	
Historic of Current Production	No	No	No	No	No	
Primary Exploration Model	Hemlo-Type Gold Deposits	Intrusive related Ni-Cu-Co mineralisation	Intrusive magmatic related Ni-Cu-Co mineralisation	BIF / Metamorphic Gold	BIF associated metamorphic gold	
Type of mineral occurrence in vicinity	VMS, BIF, Qtz Gold quartz vein hosted, mafic intrusives Cu-Ni, Ag & minor PGM.			a	Neighbouring drilled intersections	
Adjacent Properties	Yes	Yes	Yes	Yes	Yes	
Range of sample grades on property	Historic intersections: 2.5 m @ 8.2 g/t Au, 3.10m @ 3.9 g/t Au. Recent samples mostly low grade.	B-40: 3.84% Ni, 17% Cu and 0.2% Co. Mathilda: 0.35% Cu, 0.34% Ni & 0.1% Co, Manic-3 (Lac Louis): up to 0.84% Ni, 2% Cu, 0.11% Co	Non-compliant resource: 421,840 t @ 0.52% Cu, 0.72% Ni & 1.08 g/t combined Pt-Pd (1987)	Channel: 5.81g/t Au over 3m, 4.42g/t Au over 0.35m, 4.83g/t Au over 0.9m. Grab: 28.66g/t Au, 40g/t Au, 16.37g/t Au, 6.9g/t Au, 2.29g/t Au, 3.05g/t Au	Au grab samples: 0.45g/t, 0.34g/t, 0.2g/t, 0.5g/t, 1.7g/t, 0.83g/t, 1.03g/t, 0.12g/t	

Number of Claims*	420	30	32	99	63	
Earliest & Latest Claim Expiry Date	05/05/2019	16/01/2021	05/10/2019	01/01/2020	24/01/2019	
Earliest & Latest Claim Expiry Date	04/04/2020	25/05/2021	16/02/2022	23/09/2020	26/10/2019	
Area under Claim (Ha)	7,342	1,663	1,393	4,865	3,290	
Required Work Spend for Next Renewal	\$ 133,400	\$ 56,100	\$ 71,600	\$ 13,365	\$ 8,505	
Available Exploration Reserve	\$ 148,031	\$ 622,922	\$ 493,931	\$ -	\$ -	
Renewal Fees		\$ 1,958	\$ 2,024	\$ 13,365	\$ 14,345	
<i>Net Credit</i>	<i>\$14,631</i>	<i>\$564,865</i>	<i>\$420,307</i>	<i>-\$26,730</i>	<i>-\$22,850</i>	\$950,223
GESTIM Accepted Incurred Expenditure	-	\$ 1,100,000	\$ 685,551	\$ -	\$ -	
Anticipated Future Spend (SRK ES) \$M	\$ 2.00	\$ 1.00	\$ 1.20	\$ 0.60	\$ 0.30	\$5.10
Impairment Valuation \$			1.00			
Royalty	?	3% NSR on property. 1.5% can be bought back for \$3M	?	?	?	
GESTIM First Nation Restriction Note		Affected by: Nittassin de Betsiamites agreement			Affected by : ÉPOG agreement	
Transaction Committed Spend Buy Back Option	\$2M for 50%, \$4M for 75% Yes 25% for \$1M + 3x Exploration Spend					

The information set out above in this section 3 has been extracted without material adjustment from the Valuation Report. The Valuation Report is available for inspection on BWA's website at [www.bwagroupplc.com](http://www.bwagroupplc.com). SRK have given and have not withdrawn their written consent to the inclusion in this Circular of the information extracted from the Valuation Report and to the references thereto and to their name in the form and context in which they appear.

#### 4. Consideration for the Acquisition

The contract for the Acquisition (the SPA) sets out the terms of the Acquisition, subject to Canadian law. Under the terms of the SPA, BWA will acquire the entire issued share capital in KOTN (a corporation existing under the laws of Quebec and having an address at 230 Notre-Dame Street West, Montreal, Quebec H2Y 1T3) from SX and various other shareholders (the Vendors) for a consideration of C\$7.5 million (£4.66 million). The consideration will be satisfied by the issue to the Vendors of Convertible Loan Notes to a value of C\$7.5 million (£4.66 million). KOTN will have cash balances of C\$300,000 (£186,000 at Completion).

The principal terms of the Convertible Loan Notes are as follows:

- convertible into Ordinary Shares up until the third anniversary of Completion, at a price equal to the 5 days Volume Weighted Average Price per Ordinary Share prior to the date of conversion and subject to a minimum conversion price of £0.005 per Ordinary Share;
- following the third anniversary of Completion, any outstanding Convertible Loan Notes will be rolled over for a subsequent 12 months on the same terms;
- Convertible Loan Notes which have not been converted by the expiry of the further 12 month period shall automatically convert to a new class of share in the Company, being Deferred Non-Voting Shares, convertible on the same terms as the Loan Note Instrument, save they carry no right to capital on winding up;

- d. the Convertible Loan Notes provide that, at all times no person shall be able to exercise their right to convert any Convertible Loan Notes or Deferred Non-Voting Shares if to do so would cause that person (or any person acting in concert with that person, as defined in the Takeover Code) to exceed a 29% interest in the voting rights of BWA; and
- e. the Convertible Loan Notes are interest free.

The £100,000 of Convertible Loan Notes to be issued pursuant to the Subscription will have the same rights as the Convertible Loan Notes to be issued as consideration for the Acquisition.

Shareholders' approval is required to authorise the creation of a new class of Deferred Non-Voting Share which will be issued in accordance with the Loan Note Instrument in the event that any Convertible Loan Notes are not converted during the available conversion timeframe as set out above. The Deferred Non-Voting Shares shall be issued in accordance with the terms of the Loan Note Instrument, save that on any return of assets on liquidation, the Deferred Non-Voting Shares shall not confer on the holders thereof any entitlement to receive out of the assets of the Company available for distribution amongst the members (subject to the rights of any new class of shares with preferred rights) the amounts paid up or credited as paid up on the Deferred Non-Voting Shares held by them respectively after (but only after) payment shall have been made to the holders of the Ordinary Shares of the amounts paid up or credited as paid up on such shares and the sum of £10,000,000 in respect of each Ordinary Share held by them respectively. The holders of the Deferred Non-Voting Shares shall have no further right to participate in the assets of the Company.

## **5. Future Strategy**

The Directors intend that work will be undertaken on all the KOTN mineral licence groups over the next 12 to 18 months, in line with the licence agreements and with a view to obtaining up to date NI 43-101 reports and also a resource on one or two of the targeted sites. The anticipated work programs on Hemlo North, Villebon and Isoukoustouc are set out in the full Valuation Report, which is available as set out above. Of the other two sites, the work programme for Maison D'Hiver (Winterhouse) which is noted in the Valuation Report is covered in a presentation prepared by independent geological consultant J.P. Barrette (Barrette, 2018-Valuation Report refers) and that for Nova Gold is in the process of being finalised.

The Directors expect that the funding of the exploration work in Canada will largely be achieved by KOTN raising tax-efficient investment in Canada, thus reducing the requirement for working capital for BWA. In addition, SX has agreed to remain responsible for the payment of the minimum licence fees for retention of the legal licences to the various mining claims. BWA is also issuing £100,000 of Convertible Loan Notes for cash, to provide the Company with additional working capital.

The Company's existing subsidiary, BWA Cameroon, has for some time, been actively seeking licences for the development of rutile sands projects in Cameroon. The gaining of such licences is proving very time consuming, but the process is now at a stage where no further money needs to be spent before the licences are granted. Recently, BWA Cameroon received Cameroon government approval as a bona fide 'tenderer', with one other company, for the material rutile sands exploration licences in Cameroon. The Directors are hopeful of a successful outcome and believe that if a licence is granted to BWA Cameroon, the resources could be substantial.

The Company's other major investment, Prepaid Global Services Limited (formerly known as Prego), is at a crossroads where it may be able, finally, to attract sufficient additional finance to meet its

development objectives. In view of the direction the Company is now taking and its focus on natural resources, this investment must be considered as being actively for realisation.

## 6. Working Capital

The Directors are of the opinion, having made due and careful enquiry, that, taking into account the proceeds of the Subscription, the working capital available to the Company on Completion will be sufficient for the present requirements of the Company, that is, for the period of twelve months following Completion.

## 7. Directors

On completion of the Acquisition, Vilhjalmur Thor Vilhjalmsson will be appointed as an executive Director and Chief Executive Officer of BWA. This will be in addition to Vilhjalmur Thor Vilhjalmsson's proposed position as director of KOTN for day-to-day management and to facilitate its own fund raising in Canada. In addition, JV Capital Limited, of which Vilhjalmur Thor Vilhjalmsson is a 50% shareholder and managing director, is subscribing for £50,000 of Convertible Loan Notes in the Subscription. Mr Vilhjalmsson is Chief Executive Officer of SX.

Save as set out below, there is no further information regarding Vilhjalmur Thor Vilhjalmsson that is required to be disclosed pursuant to Appendix 1, Table A, paragraph 5.1.2 of the NEX Exchange Growth Market – Rules for Issuers.

Vilhjalmur Thor Vilhjalmsson	
Current Directorships	<ol style="list-style-type: none"> <li>1. North Atlantic Mining Associates Ltd</li> <li>2. JV Capital Ltd</li> <li>3. Melville Bay Ltd</li> <li>4. Iceland Resources ehf</li> <li>5. JV Capital ehf</li> <li>6. Eldgjá ehf</li> <li>7. African Minerals Ventures Ltd</li> <li>8. St Georges eco mining Ltd</li> <li>9. JV Verktakar ehf</li> <li>10. Moberg Capital Ltd</li> <li>11. Borealis Commodities Exchange ehf</li> </ol>
Historic Directorships	<ol style="list-style-type: none"> <li>1. North Atlantic Mining Associates ehf</li> <li>2. Birta Ltd</li> </ol>

	<p>3. NAMA Resources plc</p> <p>4. NAMA Coal Ltd</p> <p>5. NAMA East Asia Ltd</p> <p>6. NAMA Gold Ltd</p>
	<p>North Atlantic Mining Associates ehf went into administration in Iceland on 13 February 2014 and was liquidated on 8 December 2015 with a deficit of less than £500,000.</p>

## 8. Corporate Governance

In accordance with NEX revised governance requirements the Company has formed an Audit committee, of which Alex Borrelli is Chairman, and a Remuneration committee, of which James Butterfield is Chairman. The Board is scheduled to meet formally at least quarterly, or as required. The committees meet when appropriate.

## 9. Issue of Shares to Directors

On the flotation of the Company in March 2010, the Directors agreed that they would not be paid any remuneration until the Company had concluded a significant transaction but that, on completion of such transaction they would each be entitled to receive shares in settlement of remuneration at the rate of £10,000 per annum each. Additionally, the Directors have not drawn any expenses and have provided money to the Company on loan accounts. The 2010 agreements state as follows:

### 4 Fees

#### 4.1 The following definitions shall apply to clause 4.2:

##### (a) Current Price means:

4.1.1 if new money is being raised at the time of the Company's investment into another business, the issue price of such shares; or

4.1.2 if no new money is being raised at the time of the Company's investment into another business, the average mid-market closing price of an ordinary share in the capital of the Company over the 10 Dealing Days after the completion of the Company's investment;

(b) Dealing Days means a day on which trading occurs on PLUS or any other market on which the shares of the Company are traded at the relevant time.

4.2 You shall be entitled to a fee of £10,000 per annum (Fee). The Fee shall accrue each year but shall not be payable until the Company makes an investment in the securities of another business (whether publicly traded or not) at which point the Fee shall be payable in ordinary shares in the capital of the Company. The number of ordinary shares you are entitled to receive shall be calculated by reference to the Current Price.

The Acquisition meets the terms of the Directors' agreements and so, in order to settle total outstanding remuneration of £298,193 due to the Directors and to repay the Director loans totalling £62,261.19, the Company is proposing to issue a total of 72,090,838 Ordinary Shares at £0.005 per share. Of these Ordinary Shares, 59,638,600 Ordinary Shares are proposed to be issued in satisfying the Directors' outstanding remuneration and 12,452,238 Ordinary Shares in respect of Directors' loans. Shareholder approval is required to authorise the allotment of Ordinary Shares for this purpose.

In issuing 72,090,838 Ordinary Shares pursuant to Resolution 4, the Company is capitalizing the sum of £360,454.19. The following table sets out the Ordinary Shares to be issued to each Director:

	<b>Director Remuneration</b>	<b>Director Loan</b>	<b>Total issue</b>	<b>Total shareholding post-issue</b>	<b>% of enlarged issued share capital</b>
<b>Richard Battersby</b>	Cash : £100,833  Ordinary Shares : 20,166,600	Cash : £30,957.80  Ordinary Shares : 6,191,560	Cash : £131,790.80  Ordinary Shares : 26,358,160	43,118,982	22.39%
<b>Alex Borrelli</b>	Cash : £98,611  Ordinary Shares : 19,722,200	Cash : £15,507.24  Ordinary Shares : 3,101,448	Cash : £114,118.24  Ordinary Shares : 22,823,648	25,202,618	13.08%
<b>James Butterfield</b>	Cash : £98,749  Ordinary Shares : 19,749,800	Cash : £15,796.15  Ordinary Shares : 3,159,230	Cash : £114,545.15  Ordinary Shares : 22,909,030	42,575,301	22.10%
<b>Total</b>	Cash : £298,193  Ordinary Shares : 59,638,600	Cash : £62,261.19  Ordinary Shares :	Cash : £360,454.19  Ordinary Shares :	110,896,901	57.05%

		12,452,238	72,090,838		
--	--	------------	------------	--	--

## 10. General Meeting

A notice convening the General Meeting, which is to be held at 11 a.m. at BDB Pitmans LLP, 50 Broadway, London, SW1H 0BL on 30 September 2019, is set out at the end of this Circular. At the General Meeting, the following Resolutions will be proposed:

- Resolution 1, which is an ordinary resolution, to authorise the Directors to complete the Acquisition;
- Resolution 2, which is a special resolution, to amend the articles of association, as set out in the Notice of the General Meeting, such that the Company's articles of association includes rights for the Deferred Non-Voting Shares as referred to in the Loan Note Instrument;
- Resolution 3, which is an ordinary resolution, to authorise the Directors to allot relevant securities, namely the Convertible Loan Notes, which contain a right to be converted from debt to equity in the form of Ordinary Shares and Deferred Non-Voting Shares, up to an aggregate nominal amount of £10,000,000, being equal to Convertible Loan Notes (i.e. the number of Convertible Loan Notes to be issued); and
- Resolution 4, which is an ordinary resolution, to authorise the Directors to allot Ordinary Shares to the Directors, in respect of their outstanding director remuneration and to satisfy the director loans, in the amount of 72,090,838 Ordinary Shares at £0.005.

## 11. Actions to be taken

*In respect of the General Meeting*

Please check that you have received the following with this Circular a Form of Proxy for use in respect of the General Meeting.

**Whether or not you propose to attend the General Meeting in person, you are strongly encouraged to complete, sign and return your Form of Proxy in accordance with the instructions printed thereon as soon as possible, but in any event so as to be received, by post or, during normal business hours only, by hand, at the Company's registered office, by no later than 11 a.m. on 26 September 2019 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a Business Day)).**

**If you hold your shares in the Company in uncertificated form (that is, in CREST) you may vote using the CREST Proxy Voting service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the Notice of the General Meeting set out at the end of this Circular). Proxies submitted via CREST must be received by the Company's agent (CREST ID 7RA36) by no later than 11 a.m. on 26 September 2019 (or, in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a Business Day)).**

Appointing a proxy in accordance with the instructions set out above will enable your vote to be counted at the General Meeting in the event of your absence. The completion and return of the Form of Proxy or the use of the CREST Proxy Voting service will not prevent you from attending and voting at the General Meeting, or any adjournment thereof, in person should you wish to do so.

## 12. Recommendation

**Shareholders should be aware that if any of the Resolutions are not passed, the Acquisition will not proceed.**

**The Directors believe that the Resolutions to be proposed at the General Meeting are in the best interests of the Company and Shareholders as a whole and unanimously recommend that Shareholders vote in favour of the Resolutions.**

**The Directors have irrevocably undertaken to vote in favour of the Resolutions in respect of, in aggregate, 38,806,063 Ordinary Shares, representing approximately 32.2 per cent of the Ordinary Shares in issue at the date of this Circular.**

Yours sincerely

Richard Battersby

*Chairman*

## DEFINITIONS

The following definitions apply throughout this document (including the Notice of General Meeting) and the Form of Proxy unless the context requires otherwise:

<b>"Acquisition"</b>	the Company's proposed acquisition of the entire issued share capital of KOTN
<b>"Board" or "Directors"</b>	the directors of the Company whose names are set out on page 4 of this Circular
<b>"Business Day"</b>	any day on which banks are usually open in England and Wales for the transaction of sterling business, other than a Saturday, Sunday or public holiday
<b>"certificated" or "in certificated form"</b>	a share or other security not held in uncertificated form (that is, not in CREST)
<b>"Circular"</b>	this document including the Notice of General Meeting
<b>"Company" or "BWA"</b>	BWA Group PLC, a company incorporated in England and Wales with registered number <b>00255647</b>
<b>"Completion"</b>	completion of the Acquisition
<b>"Convertible Loan Notes"</b>	the unsecured convertible loan notes to be issued in accordance with the Loan Note Instrument agreed as part of the Acquisition
<b>"CREST"</b>	a relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations)
<b>"CREST Regulations"</b>	the Uncertificated Securities Regulations 2001 (SI 2001/3755) as amended from time to time
<b>"Deferred Non-Voting Share"</b>	means a deferred non-voting share in the capital of BWA on the same terms as the Loan Note Instrument save that it shall have no right to capital on winding-up, to be issued in accordance with the Loan Note Instrument in the event that such Convertible Loan Notes are not converted
<b>"Existing Ordinary Shares"</b>	the issued share capital of the Company as at the date of this Circular, being 120,531,833 Ordinary Shares
<b>"Financial Conduct Authority" or "FCA"</b>	the Financial Conduct Authority (and its predecessor, the Financial Services Authority) in its capacity as the competent authority for the purposes of Part VI of FSMA
<b>"Form of Proxy"</b>	the enclosed form of proxy for use by Shareholders in connection with the General Meeting
<b>"FSMA"</b>	the Financial Services and Markets Act 2000 (as amended)
<b>"General Meeting"</b>	the general meeting of the Company to be held at 11 a.m. on 30 September 2019 (or any reconvened meeting following any adjournment of the general meeting) at BDB Pitmans LLP, 50 Broadway, London, SW1H 0BL, notice of which is set out at the end of this document

<b>“Group”</b>	the Company and its subsidiaries from time to time
<b>“KOTN”</b>	Kings of the North Corp. (incorporated in Quebec) 230 Notre Dame Street West, Montreal, Quebec, H2Y 1T3
<b>“Loan Note Instrument”</b>	the draft convertible loan note instrument prepared prior to exchange of contracts on 29 May 2019 relating to the Acquisition
<b>“London Stock Exchange”</b>	London Stock Exchange plc
<b>“NEX Exchange”</b>	NEX Exchange Limited, a Recognised Investment Exchange under section 290 of FSMA
<b>“NEX Exchange Growth Market” or “NEX”</b>	the primary market segment operated by NEX Exchange for dealings in unlisted securities
<b>“NEX Exchange Rules”</b>	the NEX Exchange Growth Market – Rules for Issuers, which set out the admission requirements and continuing obligations of companies seeking admission to and whose shares are admitted to trading on the NEX Exchange Growth Market
<b>“Notice” or “Notice of General Meeting”</b>	the notice of the General Meeting set out at the end of this document
<b>“Ordinary Shares”</b>	ordinary shares in the capital of the Company.
<b>“Proposals”</b>	the Resolutions set out in the Notice of General Meeting
<b>“Proposed Director”</b>	Vilhjalmur Thor Vilhjalmsson
<b>“Recognised Investment Exchange”</b>	has the meaning given in the NEX Exchange Rules
<b>“Registrar”</b>	Share Registrars Limited, registrars to the Company
<b>“Resolutions”</b>	the resolutions to be proposed at the General Meeting, as set out in the Notice of General Meeting
<b>“Shareholders”</b>	holders of Ordinary Shares
<b>“SPA” or “Share Purchase Agreement”</b>	the share purchase agreement relating to the purchase of KOTN dated 29 May 2019 between BWA, SX and various minority shareholders of SX
<b>“Subscription”</b>	the proposed subscription of £100,000 nominal of Convertible Loan Notes
<b>“SX”</b>	means St-Georges Eco-Mining Corp. a corporation existing under the laws of Canada and having an address at 230 Notre-Dame Street West, Montreal, Quebec, H2Y 1T3
<b>“Takeover Code”</b>	the City Code on Takeovers and Mergers
<b>“uncertificated” or “in uncertificated form”</b>	recorded on the register of members of the Company as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST

<b>"United Kingdom" or "UK"</b>	the United Kingdom of Great Britain and Northern Ireland
<b>"United States" or "US"</b>	the United States of America
<b>"Valuation Report"</b>	the valuation report of the assets to be acquired pursuant to the Acquisition prepared by SRK Exploration Services Limited dated 29 March 2019
<b>"Volume Weighted Average Price"</b>	the volume weighted average price of the Ordinary Shares, calculated by dividing the total value by the total volume of Ordinary Shares traded for the relevant period, if no trade has occurred on certain day it is assumed to be 1 share traded at the last traded price
<b>"£", "pence", "penny", "pounds sterling", or "sterling"</b>	UK pounds sterling, the lawful currency of the United Kingdom
<b>"C\$"</b>	Canadian dollars, the lawful currency of Canada

Company number: 00255647

## BWA GROUP PLC

### NOTICE OF GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that a general meeting of BWA Group PLC (the “**Company**”) will be held at BDB Pitmans LLP, 50 Broadway, London, SW1H 0BL at 11 a.m. on 30 September 2019 for the purpose of considering and, if thought fit, passing resolution 2 as a special resolution and 1, 3 and 4 as ordinary resolutions.

#### RESOLUTIONS

1. **THAT**, the directors of the Company from time to time (the Directors) be generally and unconditionally authorised to complete the Acquisition.
2. **THAT**, with effect from the conclusion of the meeting the articles of association of the Company be amended by deleting article 3 in its entirety and replacing it with the following new article 3:

“The share capital of the Company is 120,531,833 Ordinary Shares of £0.005 each and Deferred Non-Voting Shares of £0.005 each. The Deferred Non-Voting Shares shall be issued in accordance with the terms of the Loan Note Instrument, save that on any return of assets on liquidation, the Deferred Non-Voting Shares shall not confer on the holders thereof any entitlement to receive out of the assets of the Company available for distribution amongst the members (subject to the rights of any new class of shares with preferred rights) the amounts paid up or credited as paid up on the Deferred Non-Voting Shares held by them respectively until after (but only after) payment shall have been made to the holders of the Ordinary Shares of the amounts paid up or credited as paid up on such shares and the sum of £10,000,000 in respect of each Ordinary Share held by them respectively. The holders of the Deferred Non-Voting Shares shall have no further right to participate in the assets of the Company”.

3. **THAT**, in accordance with section 551 of the Companies Act 2006 (the “**Act**”) and in addition to the existing authorities, the directors of the Company from time to time (the **Directors**) be generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company up to a maximum aggregate nominal amount of £10,000,000 (comprising Convertible Loan Notes as such term is defined in the circular posted to Shareholders together with this notice (the **Circular**) provided that this authority will expire on the date which is fifteen months from the date of the resolution, or, if earlier, the conclusion of the next annual general meeting of the Company (unless renewed varied or revoked by the Company prior to or on that date) but the Company may, before this authority expires, make an offer or agreement which would or might require shares in the Company or rights to be allotted or granted after this authority expires and that the Directors may allot shares in the Company or grant rights pursuant to such an offer or agreement as if the authority conferred by this resolution had not expired.
4. **THAT**, the directors of the Company from time to time (the Directors) be authorised to allot 72,090,838 Ordinary Shares at £0.005 to the current Directors as required to satisfy outstanding remuneration due to date and to repay outstanding Directors’ loans.

#### By order of the Board

James Butterfield  
Company Secretary

Registered Office;  
BDB Pitmans LLP  
50 Broadway  
London  
SW1H 0BL

Registered in England and Wales No. **00255647**

Date: .5 September 2019

**Notes:**

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting and at any adjournment of it. A member may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. If a proxy appointment is submitted without indicating how the proxy should vote on any resolution, the proxy will exercise his discretion as to whether and, if so, how he votes.
2. A proxy need not be a member of the Company. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact the Registrars. Members may also appoint a proxy through the CREST electronic proxy appointment service as described in note 9 below.
3. To be valid any proxy form or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand by no later than 11 a.m. on 26 September 2019 (or, in the event of any adjournment, 48 hours before the time of the adjourned meeting (weekends and public holidays excluded)), together with, if appropriate, the power of attorney or other authority (if any) under which it is signed or a duly certified copy of that power or authority.
4. The return of a completed proxy form, other such instrument or any CREST proxy instruction (as described in note 9(a) below) will not prevent a member attending the meeting and voting in person if he/she wishes to do so.
5. A vote withheld option is provided on the form of proxy to enable you to instruct your proxy not to vote on any particular resolution, however, it should be noted that a vote withheld in this way is not a 'vote' in law and will not be counted in the calculation of the proportion of the votes 'for' and 'against' a resolution.
6. To be entitled to attend and vote at the meeting (and for the purpose of the determination by the company of the votes they may cast), members must be registered in the register of members of the Company 11 a.m. on 26 September 2019 (or, in the event of any adjournment, 48 hours before the time of the adjourned meeting (weekends and public holidays excluded)). Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
7. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the company's register of members in respect of the joint holding (the first-named being the most senior).
8. If a member submits more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for this meeting by using the procedures described in the CREST manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. Please note the following:
  - (a) in order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST proxy instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent by the latest time(s) for receipt of proxy appointments specified in this notice. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST application host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

- (b) CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST proxy instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred in particular to those sections of the CREST manual concerning practical limitations of the CREST system and timings.
  - (c) the Company may treat as invalid a CREST proxy instruction in the circumstances set out in regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
10. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.