
Bauba Resources Limited

Incorporated in the Republic of South Africa

(Registration number 1986/004649/06)

Share code: BAU ISIN: ZAE000145686

("Bauba" or "the Company")

SUBSCRIPTION AGREEMENT AND GENERAL ISSUE OF SHARES FOR CASH

Bauba is pleased to announce that it has entered into a binding subscription agreement ("Agreement") with Pelagic Resources PTE LTD ("Pelagic") in terms of which Pelagic will subscribe for 113,683,334 ordinary shares of the Company ("Subscription Shares").

The Subscription Shares will be issued in terms of the Company's general authority to issue shares for cash, obtained at the annual general meeting of Bauba held on Thursday, 12 December 2019 where the requisite majority of shareholders approved the ordinary resolution authorising the directors of the Company to issue up to 30% of the Company's issued share capital for cash in accordance with paragraph 5.52 of the Listings Requirements of the JSE Limited ("JSE Listings Requirements") ("General Authority").

In terms of paragraph 11.22 of the JSE Listings Requirements, shareholders are hereby advised that Bauba will issue more than 5% of its shares in issue under the General Authority.

The Subscription Shares represent 29.99% of the issued share capital of the Company and will be issued at a price of 22 cents per share, being a 7.04% discount to the 30-day volume weighted average price at the close of business on Friday, 18 December 2020, the date immediately preceding the signature of the Agreement, amounting in aggregate to R25,010,333.48.

The capital provided to the Company will be used to fund working capital and expansionary capital expenditure relating to our Kookfontein project and the development of our Moeijelijk underground mine.

The issue of the Subscription Shares is subject to the fulfilment or waiver, as the case may be, of various conditions precedent as set out in the Agreement, including Company and regulatory approvals, by no later than 15 January 2021.

Johannesburg
22 December 2020

Sponsor
Merchantec Capital