
Bauba Resources Limited
Incorporated in the Republic of South Africa
(Registration number 1986/004649/06)
Share code: BAU ISIN: ZAE000145686
("Bauba" or "the Company")

**FULFILMENT OF CONDITIONS PRECEDENT TO THE THATSWANA CO. ACQUISITION
AND KOOKFONTEIN MINE UPDATE**

Shareholders are referred to the announcements released on SENS on 23 July 2019 and 17 October 2019 wherein (and using the terms defined therein unless otherwise stated) shareholders were informed of the acquisition of the Sale Equity in Thatswana Co. ("**Nuco**") by Bauba. Bauba is pleased to inform shareholders that all conditions precedent, including the Section 11 Ministerial Consent from the Department of Mineral Resources and Energy ("**DMRE**"), have now been fulfilled and that the Acquisition has become unconditional. Accordingly, Bauba now owns 74% of the entire issued share capital of Nuco and the Kookfontein Mine.

Nuco has commenced site establishment of the open cast UG2 reef and expects a monthly steady state production of 30 000 metric tonnes with build-up commencing in October 2021. The current SAMREC compliant UG2 Resource is estimated at 402 076 metric tonnes. Further drilling consisting of 8 Return Circulation (RC) drillholes and 9 diamond drill (DD) holes were completed in the first semester of 2021, with chemical analysis by SGS South Africa Proprietary Limited in progress. Indications from the initial wireframe modelling show a potential increase in resources of 291 005 metric tonnes, which will bring the total estimate into the region of 693 081 metric tonnes. This work is still in progress and will be reported on once completed.

Furthermore, Bauba is in the process of concluding an offtake transaction with a nearby PGM concentrator which, if successfully concluded, will allow Bauba to capitalise on current strong PGM prices which are anticipated to generate considerable cashflows. These cashflows may then fund the further expansion of Nuco through the future development of its additional and significant chrome ore resource, a chrome ore spiral wash plant, associated tailings storage facility and potentially a PGM flotation plant to capture the PGMs in the fine chrome tailings.

Due the ore being relatively shallow and easily accessible at Kookfontein, the mine has attractive economics with a very competitive operating margin and low start-up capital requirements, which are anticipated to result in a quick pay-back period.

The Kookfontein Mine has a Life of Mine (LOM) in excess of 10 years with the current estimated SAMREC compliant Resource (excluding the UG2) totalling approximately 10.1 million metric tonnes. The Competent Person responsible for the Mineral Resources of Nuco is Mr PJG Jacobs, who is independent of the Company, and has approved in writing the relevant information set out herein. The Mine Plan considers a total of 7.83 million metric tonnes (excluding the UG2) at a reasonable economic strip ratio of 1:5,48 ore to waste. The estimated Run of Mine (ROM) Feed Grade is calculated at 32.9% Cr₂O₃.

"The low strip rate of the Kookfontein Mine will ensure low mining costs and that the chrome ore and PGMs produced are at a low cost and are sustainable from an operational perspective" says CEO Nick van der Hoven.

Johannesburg

5 July 2021

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