

06 March 2019

African Battery Metals plc ("ABM" or the "Company")

Business Update – Strategic and Operational Plan

African Battery Metals plc (LON:ABM) the AIM listed battery metal exploration and development company is pleased to provide a business update outlining the initial findings from the strategic and operational review being undertaken by the Company.

Background:

Readers are advised to review the Company's announcement dated 28 January 2019 within which the Company outlined a detailed refinancing and business strategic update. This may be viewed through the following link:

<https://www.abmplc.com/n/n86/refinancing-business-strategic-update-and-update-on-resumption-of-trading>

Within the latter part of the announcement, the Company committed to undertake a strategic and operational review to:

- review the Company's existing interests and target exploration resources in a prioritised manner;
- develop a Strategic and Operational Plan for the Company, which will be published by market announcement for the benefit of all shareholders; and
- identify, review and if appropriate acquire new opportunities to complement and diversify existing business interests including the potential acquisition of interests within Africa, or new territories, within Battery Metals, or interests in other commodity categories.

The Company is now in a position to provide initial findings from the strategic and operational review exercise, and to set out a summary Strategic and Operational Plan for the Company. This is detailed below.

Strategic and Operational Plan

Financial Position

On 10 December 2018, ABM was suspended from trading pending clarification of its financial position. Specifically, at that time short-term creditors exceeded the Company's available working capital, and additional financing was needed for the Company to remain a going concern.

At today's date and following the General Meeting approval of the refinancing announcement above, ABM has paid all material creditor balances through cash or share settlement. The Company has no

material debt and free working capital after all creditors were settled, amounting to approximately £860,000.

The cash balance, considering current operational plans, is anticipated to cover corporate plc costs and anticipated project exploration expenditures on existing business interests for in excess of 12 months from today's date.

The strong cash position also enables the Company to review and, if deemed appropriate, to acquire modest cost new business opportunities to manage corporate project risk through commercial diversification.

Business Administration and Management

The transitional work necessary following the refinancing and business management changes has been extensive and the new executive management are working through this process alongside ONE Advisory Limited ("One Advisory"), who continue to provide accounting, audit, legal, compliance and general business administration support to the ABM team.

The priority focus for the Company and its advisors is the completion of the audited financial statements for the year ended 30 September 2018, which are due to be released by 29 March 2019.

Thereafter the Company will be holding its Annual General Meeting ("AGM") in late April or early May 2019. Shareholders will be advised of the date of the AGM in due course and all shareholders will be invited to attend and discuss the progress being made by the Company.

Existing Project Interests

The Executive team are in the process of reviewing all the Company's existing project interests with a view to identifying the most optimal strategy for exploration focus and spend.

Andrew Bell, the Company's recently appointed Executive Chairman has been leading this review and has just undertaken the Company's first post-refinancing visit to the Democratic Republic of Congo ("DRC"), where he has conducted a review of the Company's in-country assets and capabilities, and discussed exploration options for the Kisinka Copper-Cobalt project. Further country and site visits are anticipated in the near future, alongside project discussions with in-country partners which are ongoing.

By its nature this review of the Company's interests is project specific and the Company will report back to shareholders in respect of the three current operational interests, in Cameroon, the DRC and the Ivory Coast, through individual market updates over the coming weeks.

The Company is of the view that the rebuilding of exploration activities should commence with a focus on existing interests in line with the business model pursued by ABM prior to its suspension in December 2018.

The allocation of project management and exploration spend will be skewed to those projects with the highest potential impact per exploration dollar and the exploration approach may differ from that undertaken previously, building on the knowledge that was gleaned from previous work.

New Business Opportunities

It has become evident that there are opportunities to augment existing in-country project interests with additional licences, geographically close to existing licences, particularly in respect of the DRC.

The funding climate for early stage resource opportunities is still very poor and therefore vendors are willing to undertake transactions on reasonable terms. ABM is looking at such opportunities, as an obvious mechanism to build the significance of its existing project portfolio.

Alongside existing business interests, the Company has identified through its network, and received direct approaches from third parties with, new opportunities in battery metals, precious metals and other commodity groups.

The Board of the Company recognise the commercial attractiveness of new opportunities, particularly in commodities or jurisdictions outside those currently in the ABM portfolio, where the acquisition thereof would improve management of risk through diversification. Again, the funding climate has rendered many value-additive opportunities available on reasonable terms.

ABM is carefully reviewing a range of possible options, however, the Company will only proceed where a new opportunity is sufficiently attractive, does not place undue pressure on business cash requirements and where such additions will complement and strengthen the existing project interests.

Should transactions crystallise the Company will make appropriate market announcements, however readers should understand that unless and until such announcements are made, there can be no assurance that transactions have or may complete.

Strategic Objectives

It is the intention of the Company, for the foreseeable future, to remain focused on Africa and battery metals and the majority of effort is currently dedicated to existing Company interests.

Where effort and resource are being applied to review new opportunities, these are also predominantly in African battery metals projects. The primary focus of the Company remains the majority or whole ownership of projects that the Company operates.

We are however also considering investment opportunities that can add considerably to our balance sheet bolstering the Company's financial strength and exposing the Company to strategically attractive areas for potential future business development.

Paul Johnson, Executive Director of African Battery Metals commented: "Since the December 2018 suspension and with the support and assistance of existing shareholders, new investors, Company advisors, Company management and, importantly, the AIM exchange itself, ABM is now in a robust financial position and able to take the steps it needs to drive its business forward and potentially flourish.

Any recovery scenario should look to focus on existing interests first, extracting the best opportunities and building from that core. We are doing just that.

It is our intention to report our progress regularly to the market, providing individual project updates to enable investors and shareholders to have a clear understanding of each Company project in respect of its current status, our operational plans and our project level objectives.

I would like to thank all the parties who have assisted with the initial recovery of the Company. And I assure you the ABM team are working very hard to secure to build a sustainable recovery over the coming weeks and months."

For further information please visit <https://www.abmplc.com/> or contact:

African Battery Metals plc

Paul Johnson (Executive Director)

+44 (0) 7766 465 617

SP Angel Corporate Finance (Nomad and Joint Broker)

Ewan Leggat

+44 (0) 20 3470 0470

SI Capital Limited (Joint Broker)

Nick Emerson

+44 (0) 1483 413 500

Notes to Editors:

ABM is an AIM listed, Africa focused, resource company exploring for the key metals used in next generation batteries that fuel the new electric vehicle revolution. The Board and team of advisors, who have proven expertise in African exploration, mining and project generation, have identified an opportunity to utilise the Company's position to become a leader in the London market for investors to gain exposure to the battery metal commodity suite, particularly cobalt, lithium, copper and nickel.